



Daily Report

East Europe

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People's Assembly Presidium on Opposition Requests

AU0502215191 Tirana Domestic Service
in Albanian 2100 GMT 5 Feb 91

[Text] Sihat Tozaj, secretary of the Presidium of the People's Assembly, and Eleni Selenica, Presidium member, received today representatives of the Democratic Party [PDSH] in connection with some requests recently addressed by this party to the Presidium of the People's Assembly and its president.

1. Although an agreement was reached on 17 January 1991 on the basis of a consensus among all electoral participants to postpone the elections and not to make changes to the law on elections to the People's Assembly, apart from the inclusion of all the new political parties in the electoral commissions, a matter solved by legal means, the PDSH has once again raised the issue of revising this law. In connection with this request, it was explained to the representatives of the PDSH that the law on elections to the People's Assembly was approved by the People's Assembly and no other body can make essential changes to it. The People's Assembly, according to the Constitution, has been dissolved. Nevertheless, the law is entirely democratic and guarantees free, universal, secret elections on the basis of citizens' will; therefore, there is no need to change it.

2. The PDSH has raised the question of the depoliticization of the Army, the internal affairs organizations, and the justice services, as well as the issue of the release of all political prisoners. (?In these another issues.) the Presidium judges that these (?organs should act) solely on the basis of the Constitution and other laws in force, and bearing in mind the (?aforementioned) changes.

3. The request of the PDSH to organize public demonstrations when and where they wish received the following reply: The Presidium of the People's Assembly advises all electoral participants to avoid rallies and demonstrations in streets and squares, solely wishing to avoid divisions that threaten unity and to guarantee social peace. If any electoral participant, regardless of this advice, wishes to organize a public meeting or demonstration in the streets, it must reach an understanding with the public order services for the time and place of this meeting, which, under Decree No. 7,408 dated 31 July 1990 on meetings, gatherings, and assemblies of citizens in public places, have been given full authority to judge and decide. It is not the task of the Presidium to intervene to decide in which places or at what times specific rallies or demonstrations should take place.

4. As for the request of the PDSH for various kinds of equipment and technical supplies, these are matters which should be decided by the executive state services. The Presidium of the People's Assembly will suggest to the Council of Ministers that it should consider solving this issue as soon as possible, within the possibilities available.

PRSh Leader Gambeta Outlines Party Program

AU0602085591 Tirana BASHKIMI in Albanian
28 Jan 91 pp 1-2

[Report on interview with Republican Party (PRSh) leader Vangjush Gambeta by unidentified reporter on 27 January; place not given: "The Albanian PRSh"]

[Text] Vangjush Gambeta, one of the founders of the Albanian Republican Party [PRSh], yesterday expressed the following views to our editor:

The founders of the PRSh started out from the view that no Albanian can sit on the sidelines at this time, when the country is faced with an exceptionally difficult political and social situation. Everyone must make his contribution to overcoming these difficulties. One way of making this contribution is to be active in a political party, committed to the goals and paths laid down in its program. The program of a new party inevitably differs to a greater or lesser extent from the programs of earlier parties.

The PRSh is just such a new party. Its founders are: Petro Marko, Sabri Godo, Vangjush Gambeta, Hysen Cobani, Agim Zeka, etc. Work is continuing to form branches of our party in the districts, the creation of which will be marked by rallies.

The program of the PRSh, shortly to appear in the form of a pamphlet, will be submitted to the judgment of the masses of the people. It presents the full, thorough, and conclusive democratization of our country as the primary task for those who have supported or will support the party. The PRSh will put the lofty interests of the country's independence and sovereignty at the basis of all its activity, pursuing a peaceful and impartial foreign policy of cooperation and mutual respect with all states, giving priority to good neighborliness with Balkan and Mediterranean countries.

The PRSh program shows its unflinching determination to struggle for human rights and the rule of law and against bureaucratic distortions and corruption of all kinds that have appeared or may appear.

In the economic field, it will strive for the equal right of all forms of property to develop. Presently, because private property and private economic activity have been stifled and forbidden in statist ways for several decades, the PRSh will strive to give priority to these forms of property. In the future, economic competition will solve the problem of the specific weight that each form of property will assume in the country. The party is also in favor of creating joint enterprises, receiving credits, and attracting foreign investments and those of Albanian citizens, giving priority to the latter.

The PRSh will attach particular importance to the countryside, which has suffered the greatest harm from the mistakes of the past. It will strive to give the land to those who work it, to prohibit the sale and purchase of land, and to leave the question of the preservation or abolition of the agricultural cooperatives to be decided by the peasantry.

themselves. It will call for a serious commitment from the state to increasing the level of mechanization and encouraging technical progress in agriculture, by giving low-interest credit for seeds, livestock, equipment, and construction work, to enable private peasants or peasants joined in cooperatives, which may be of various kinds, to achieve up-to-date levels of agricultural and livestock production.

The PRSh favors a reduction in the length of military service and improved conditions for soldiers, parallel with economic development. It also favors a public review of everything done in the country's life in recent decades, to assess both the real achievements as well as the errors that have led to today's political and economic situation. This will demand the more efficient functioning of the Rehabilitation Institute. Persons found to have been unjustly convicted will receive moral and material compensation. Capital punishment will be abolished.

This party also demands full freedom of conscience and freedom to practice religion or atheism. This can be achieved if the state places religious institutions under its legal protection. This also demands real respect for women's rights, not just slogans. Young people will be given opportunities for contact with Europe and the world.

As a whole, the PRSh program serves to lead our homeland toward European and world integration and is pervaded by the great idea of national unity. This program will subsequently be explained in the newspaper REPUBLIKA, the party organ. The four-page newspaper will be published twice a week. Preparations to publish the first issue have begun. It will be in readers' hands toward the middle of February.

Media Mark Ismail Kadare's 55th Birthday

AU0602085391

[Editorial Report] Tirana ZERI I RINISE in Albanian on 26 January and Tirana DRITA in Albanian on 27 January carry articles marking the 55th birthday of the writer Ismail Kadare.

ZERI I RINISE of 26 January carries on page 1 a 1,500-word article by Neshat Tozaj and Remzi Lani entitled "Honor to Ismail Kadare on his 55th birthday." The article states: "In two days, on 28 January, Ismail Kadare is 55 years old. We feel it our moral and intellectual duty, now more than ever, to honor on this anniversary this great writer, a democrat and active fighter for human rights, and the pride of the Albanian nation, regardless of whether anyone likes this or not."

After praising Kadare's literary achievement, the article states: "We read 'Invitation to the Studio,' and before we had properly finished it we were shaken by the news of his departure from Albania. December came, and political pluralism was established. Kadare's name was increasingly mentioned at rallies. At their peaceful rallies, Albanian students shouted 'Kadare, Kadare,' and held up his picture. History will remember these rallies and these

youthful shouts, but not the official label of 'deserter' or the barks of some pseudodemocrats and pseudointellectuals whose fabrications and intrigues wish to bring down from the pantheon of Albanian culture its greatest representative, Ismail Kadare. Ismail Kadare remains in the pantheon, unsullied by anyone. In honoring the great writer, Albanian culture honors itself."

DRITA on 27 January carries on pages 5 and 7 a 2,500-word Capajev Gjokutaj article entitled "The Gift of Emancipation—On Ismail Kadare's 55th Birthday." In relation to the need to search for "spiritual enrichment and social equilibrium," the article states: "Ismail Kadare is undoubtedly one of the most suitable personalities for this purpose. I do not know the reasons for his exile, so I cannot judge it. Even if, in the future, his asylum in France turns out to have been a mistake, it will be nothing but a Berat (battle lost by Skenderbeg) compared with his Kruje, Tovioll, Abulene, Mokrene, Oranik, Drin, and Pollog (victories of Skenderbeg) and so many other battles won in his life of 55 years, which has been, from beginning to end, a struggle for our national and social emancipation."

The article praises Kadare's literary work, and describes his growing international reputation, starting in the 1970's, adding: "Distrust and envy of Kadare's international reputation in these years became more widespread, because we cultivated an isolationist attitude, and official propaganda only nervously sanctioned a few crumbs of contemporary world culture and literature. This was when quotations from Mao Zedong were in circulation, and his motto was repeated: 'If your enemy insults you, you are on the right road; if he praises you, watch out! You have deviated!' However, Ismail Kadare's steadily growing world reputation acted as balm to the Albanian soul."

ZERI I POPULLIT and BASHKIMI (received up to 31 January) do not mention Kadare's birthday. However, Tirana ATA in English at 0945 GMT on 5 February carries the following statement in its "Press Review:" "Under the title 'Ismail Kadare's Work Belongs to the Whole People,' the newspaper [ZERI I POPULLIT] carries an article by the writer Zija Cela that stresses, among other things, that Kadare's work—as a work standing above strata and parties—goes beyond any peculiarity, accepting only one signature, that of Ismail Kadare, and only one seal, that of the unprecedented originality of our nation."

* Equality of All Before Law Stressed

91P20075A Tirana BASHKIMI in Albanian
4 Jan 91 p 2

[Article by Liri Gjoliku, member of the Supreme Court: "All Are Equal Before the Law"]

[Text] The democratic processes which are taking place in our country have created the most favorable conditions for the further implementation, understanding, and perfecting of socialist legality, as one of the more

important principles of the activity of the state apparatus and as a method for the direction of society by the state. Our legislation is an important aspect of the democracy of the masses and as such it is necessary that the essence of the laws be applied in their interest, in accordance with the evolution of society and under the concrete political, economic, and social conditions in which the law is applied. Legality requires, above all, that legal norms be based completely on the Constitution and on other decrees of the highest bodies.

Under the conditions of the strengthening and perfecting of the law-governed state, this requirement is of special importance because any legal norm approved in contradiction to the decrees of the highest bodies causes issues to be resolved in an arbitrary and subjective manner and results in liberal and bureaucratic deviations. We might mention the incorrect decisions of some peoples councils and executive committees, or the orders or directives of certain ministries. These decrees have had damaging effects, especially in the field of production and distribution, on the handling of property and have resulted in the solution of problems on the basis of whims and unjustified interference, such as, the placing of some inept cadres in important positions with great advantages. There are other decrees which permit relatives of these cadres to enjoy benefits such as exemption from customs inspection, the use of machines in violation of criteria stated in the appropriate decision of the Council of Ministers, the incurring of unnecessary expenses to equip offices with imported articles and the use of hard currency to buy machines at a time when the market lacks articles that are really needed. All these actions and attitudes, which are incompatible with the essence of the requirements of our laws which express and protect the interests of our people, have violated the democracy of the masses. Also, these violations which have been perpetrated by cadres during the execution of their legal functions, have been violations of the great constitutional principle of equality of citizens before the law. Because of the great importance which it would have in the future, this principle was singled out as one of the key principles in the Declaration on Human Rights in the Second Session of the General Council of the National Liberation Front in Berat in 1944. By decision of the people's government, this principle was implemented and expanded in accordance with the important democratic processes taking place in our country.

In the existing Constitution it is stated: "All citizens are equal before the law. There is no limitation or privilege in regard to the rights and responsibilities of citizens because of sex, race, nationality, education, social position, or material situation." This principle has taken concrete form in all our existing legislation and, in the present conditions, it must be given broader proportions so that it will encompass all spheres of life. This principle must be represented in regard to the law on state social security, in the stipulation of the age for receiving a pension, and especially in the sectors of science, art, education, and culture, because, in some institutions in

these sectors, the pensioning of persons with degrees in science is determined by the subjective evaluation of managers. In certain cases, equality before the law has not been properly implemented in the activity of the organs of justice, where, when they have discovered violations of the laws by various cadres, they have not operated according to their powers under the law but according to the orders given to them by persons from the party or state organs. We can understand what damage they have caused because we know that the law is the highest authority and that the law is nothing but a policy measure, and when it is violated, the policy of the class which holds power is violated.

Democratization and the perfection of legality are achieved, in the first place, by enhancing the directing, monitoring, and organizing role of the People's Assembly and the peoples councils as organs which are directly elected by the people. In order to achieve this aim in the best way possible, in current conditions, it is essential not only to perfect these organs but also to combat bureaucratic and formal manifestations which have appeared in their activity.

The deputies have a special role in regard to the exact and uniform implementation of the laws in the entire territory of the People's Socialist Republic of Albania. Without denying the good work which they have done in this area, it should be noted that there have been cases of lack of attention or lack of competence in the execution of the tasks assigned to them by the people and sanctioned in the Constitution. These defects are a result of the fact that many deputies have been elected for many years and, as a result, have become accustomed to a method which is not in accordance with the demands of today's developments. On the other hand, many deputies, apart from their actual jobs, have been elected to a number of party forums, state organs, and social organizations since there is a lack of other cadres under current conditions. Conditions for development require that the status of the deputy be perfected by clearly specifying the rights and duties which he will have in the future. Another defect which has weakened the role of legality in the activity of the state apparatus and of the elected organs and deputies is the practice of making a fetish of staffs and functionaries. When deputies in various commissions raised important issues for presentation to the People's Assembly or its Presidium, in accordance with Article 71 of the Constitution, the staff determined whether the matter was to be presented to the Assembly or the Presidium because, in these cases, the directors of the staff were the same people who were members of the state organ. On the other hand, it should be emphasized that the same people who have adapted to or conformed with the opinions of certain cadres are often called upon and asked for juridical opinions. The new elections for deputies, under the conditions of the expanded democratization of the entire life of the country expressed in

the law "on the Elections in the People's Assembly," will give the people the opportunity to elect to this important forum the best representatives, inseparably linked with the interests of the people.

*** Implications of Democracy, Multiparty System**

91P20140A Tirana ZERI I RINISE in Albanian
22 Dec 90 p 2

[Interview with Dritero Agolli, by Remzi Lani: "Democracy, Pluralism, and the Intelligentsia"]

[Excerpts] [Lani] The democratization process in the country is entering into a new phase, that of political pluralism. How do you evaluate this step?

[Agolli] Historians say that in the entire history of humanity on earth some 31 civilizations took form but 20 of them disappeared without leaving any visible trace. The causes of their disappearance are varied but historians often stress only one: twenty civilizations disappeared because of the absence or the gradual death of democracy. In a word, human and intellectual forces were exhausted and economic degradation also came about, unavoidably. What I want to show is what a great role democracy plays in keeping civilizations alive and in the constant renewal of intellectual forces. Therefore, I am convinced that the process of the democratization of the country and its elevation to a new level, the multiparty system, will release unique intellectual and moral energies and will produce a new civilization. The temperature of the democratization and political pluralism will put inexhaustible energies into motion and will melt all the ice under which frozen opinions are sleeping; it will wake up the culture and the economy and will ignite human spirits. It will break the monotony of life and its boredom and will elevate the image of the individual. The frozen amorphous mass will not keep the individual compressed. The individual will come out of this mass in all his beauty and his intellectual richness, free in conscience, free in opinions, free in everyday life, without any preordained dogmas. [Passage omitted]

[Lani] Was the Albanian prepared for such a step, for the step toward pluralism? Did it come at the right time?

[Agolli] The process of democratization in our country is like an avalanche. This avalanche has begun to roar. It has descended with an uncontrollable rush. Pluralism came after it. In the beginning we said: democratization requires pluralism of opinions! We were perplexed when we said this. But it was said. [Passage omitted] What will this pluralism of opinions bring? Can you have complete pluralism of opinions without complete pluralism of parties? It is understood that you cannot. But, nevertheless, the level of pluralism of opinions brings with it pluralism of parties. It prepares the new level. [Passage omitted]

At the tables in the coffee houses, at the offices, on the street, and in the house, there is talk about the multiparty system, with careful expressions of "pro and con."

Doesn't the devil of a multiparty system annoy us and confuse society? Doesn't it group together all sorts of opinions? Doesn't it group together hotheads? Are we civilized enough to handle a multiparty system? Wavering and hesitation! An intellectual rarely seeks this pluralism. But what about the masses? They are the ones who are waiting for it. A new political movement, a powerful student movement had emerged: "Po-li-ti-cal plu-ra-lism! Po-li-ti-cal plu-ra-lism! We understand. Go on! We have permitted pluralism of opinions in the democratization process! But we have not had a desire for the multiparty system. We have said "no." Is the Albanian going back on his word? The source of the pride of the mountaineer is that "a man does not go back on his word." This is the source of his civilization and tolerance. [Passage omitted] For our conditions, political pluralism has arrived at the proper time and it will civilize us better in our way of living, in our way of thinking, and in our way of acting.

[Lani] Do you think that the intelligentsia has played the appropriate role in this process? What else has to be done?

[Agolli] The intelligentsia has played the basic role in this process. Ramiz Alia is the leading intellectual and the locomotive of this process. We have supported and encouraged his thoughts and actions. One thing must be said. Political pluralism could not have come earlier or later. We knew our social, political, and economic conditions. Our intellectual has his feet in this land of conditions. At one time, the life of the mountaineer attracted him. At another time, civilization attracted him.

What else should be done? Keep going! Everything must be done! This process has begun. It is a train which is travelling on new tracks. If we are not careful, it will derail! The emergence and consolidation of the political parties will show this clearly. But we have preconceived ideas. [Passage omitted]

A culture which we have not had before will be emerging. This will enrich Albanian culture. Then we will not be envious of the world. People leaving our country will not be escapees; they will be world travellers. They will not appear on television to denounce us; they will not scream on foreign radio stations.

And what next? The activity of the citizens will not be restricted and the social order will be protected from anarchy. This is the duty of the law-governed state and of the parties.

We must understand that material and intellectual goods are increased by individual freedoms. The time has come for us to rid ourselves of our fear of freedom. We used to fear freedom and call it a sin of liberalism. We felt that the liberal sins would come immediately after a little freedom of thought. Human rights and freedoms and individual rights are inter-human values. The present-day world needs their convergence. Democratization and pluralism give us a unique chance to create an open

civil society in Albania. On the other hand, only an open civil society advances towards democratization. Democratization and pluralism must not incite us to take revenge on each other and on history. Haven't we tried revenge often? Has revenge brought us happiness? Remember that we used to see the class enemy, foreign influences, and religious remnants everywhere. Enemies here, enemies there! And people used to believe: "A class enemy, a decadent, an abstractionist has been exposed! Oh, boy! Class warfare!" We used to blame our neighbors, not ourselves, for misfortunes. But, did this make us happy? This unceasing, continually developing class struggle even went as far back as Naim Frasheri [19th century leader of the National Renaissance movement]. A class struggle with Naim! Did this struggle make us happy?

[Lani] It is time for a dialog. How do you conceive of this dialog? What should be the subjects?

[Agolli] Democracy is neither a fashion nor a sensation. It is a requirement of history and an inner need of the people. It is not a competition in the press in regard to who will be first to demonstrate his provocative things, dressed in the charming and illuminating clothes of democracy. The new terminology and the new phraseology of the dialog should not cajole, but it is essential that it be concentrated on civil society and freedom, and its economy, and on the freedom of the individual personality.

What kind of economy does this democracy require? Does it require a gradual transition to a market economy? Good? But with a market economy, 30 to 40 percent of the workers would be fired. How will these 30 to 40 percent unemployed like democracy? Do they realize this? The masses of unemployed require social security compensation?

Democracy requires intelligent dialogs and opinions on economics and politics, on ideology and culture. What road will cultural development take? And what about the press? When the reviews and the publications of the parties which will be created are published, what kind of panorama will the press have and how will it progress? This is only the beginning. Some very strange phenomena will be appearing. The main thing is that, as a result of this dialog, under conditions of a new political movement, the quality of life will be raised to an unprecedentedly high level. This will require the transformation of the way of thinking and the way of working. Under these conditions, the writer, as has happened everywhere on such occasions, will be more concerned, for a while, with politics than with literature and more concerned with articles than with novels.

Later on, the great literature will come. I am convinced of this. Even the Union of Writers and Artists will be transformed. It will not have a bureaucratic spirit. It will be more concerned with author's rights and freedoms,

with the most lively dialog of writers, with the broadest professional discussions, with publications and with the thrashing out of opinions.

[Lani] How do you evaluate the position of the press in regard to current developments?

[Agolli] Except for ZERI I RINISE, BASHKIMI, and DRITA which have provided complete information, extensive, lively interviews and intelligent articles, the newspapers have been strained and unyielding. People get all their information along the way, by word of mouth. Clubs and coffee houses serve as newspapers. Therefore, the press needs a transformation now before the age of the great competition arrives.

* Youth Union Election Program Published

91P20104A Tirana ZERI I RINISE in Albanian
19 Dec 90 p 1

["Election Program of the Union of Working Youth of Albania"]

[Text] The Union of Working Youth of Albania [BRPSh] is an independent electoral entity. As the worthy continuer of the outstanding traditions of our people and nation over the centuries and of the best values created up to now, the BRPSh undertakes and aims:

1. On the Basic Issues of the Present and Future Development of the Country

1. To militate for the preservation of the freedom, independence, and sovereignty of the country and for the protection of the legitimate rights of the Albanian people and nation. To work unceasingly for the education of the younger generation in the ideals of freedom and patriotism, national dignity and pride, and deep love and respect for the work of their ancestors and the sublime ideals of the martyrs of the nation.

2. To support and to defend, on all occasions, the legitimate right of the people to make decisions, in complete freedom and authority, on key issues of political, economic, social and cultural development. To support and to seek that the opinion of the people be enlisted for this purpose by means of broad-based surveys, polls, referendums, etc.

3. To support and take an active role in the achievement of a democratization program for the entire life of the country and to seek that it be extended, expanded, and implemented more rapidly.

For this purpose:

—to contribute, as a social organization and by means of its deputies in the People's Assembly, to the strengthening of legislation and the placing of the entire life of the country under the direction of the plenipotentiary law-governed state.

- to militate with all its might for the development of the economy and the improvement of the existing material situation of the people. To achieve this goal, it will support economic reforms in the villages and the cities and inspire the most progressive new economic measures, especially in the area of the establishing of a more equitable relationship between the planned economy and the market economy, to the advantage of the expansion and the mature and gradual activity of the latter, and in the direction of business cooperation with foreigners.
- to stress jobs, especially for the youth, within the country, first of all, as the main and most direct road to industry. At the same time, it will demand that the state not restrict the rights of individuals to work outside the country, and even more, it will demand that the state protect their rights and take care of them.
- to militate for the sanctioning in the law and the actual realization of the human rights of freedom of thought and speech, freedom of expression and dissemination, of conscience and religion, of peaceful demonstration and assembly, of information, and of free movement within and outside the country.
- to protect, in every case, the full and effective exercise of the political, economic, social, cultural, literary, and artistic rights of each citizen, as well as the right to engage in scientific research, without any discrimination.
- to proclaim an unrelenting war, by means of laws and other measures, against bureaucracy, injustice, patronage, illegal gains from the job, belittling privileges, extended occupancy of managerial positions, etc.
- to support and contribute to the achievement of the complete integration of Albania in the Balkan, European, and world cooperation processes, considering this as the only and proper choice, for the present and the future, for the foreign policy of the Albanian state.

II. On the Issue of the Satisfaction of the Demands, Interests, and Aspirations of the Younger Generation

1. To increase efforts for educating, hiring, and providing the youth with vocational skills.

For this purpose:

- to militate for a massive democratic school system, aiming at the enrollment of the broad masses of the youth in middle school and insisting that admission to higher schools be expanded, independent of employment possibilities.
- to support and demand the uninterrupted extension of the new educational reform and any initiative which aims at the raising of the qualitative level of the schools, the modernization of the educational process,

and the ensuring of high quality preparation of the youth, cadres, and specialists to face the challenges of the times.

- to insist on ensuring the most broad, continuing scientific training of the best and most talented individuals by means of all types of specialization, especially by means of the broadest possible specialization courses outside the country.
- to inculcate uninterruptedly in the youth a love for knowledge and science, a healthy ambition for progress, a desire for the continuing elevation of their technical, technological, and professional level, for learning foreign languages, for absorbing the broadest possible range of information in the schools, and for putting information in the service of actual activity in the best way possible.

2. To become involved to a greater extent in the solution of the problems of the employment of the youth.

For this purpose:

- to militate so that the state organs will guarantee the employment of all young men and women who are fit for work, according to the law.
- to urge the state and economic organs to open new enterprises and lines, to expand the services network, to increase the number of joint enterprises, etc., and to create opportunities for the free initiative of individuals in creating new jobs.
- to militate to guarantee by law that a person who is obliged to leave his job for military service will get his job back.

3. To satisfy the cultural demands, interests, and aspirations of the youth.

For this purpose:

- to militate for a national culture, as an important factor of national existence, attitude, emancipation, and unity.
- to aim at a firm and active assimilation by the youth of the national culture, re-evaluating it apart from tendencies toward giving it unnecessary political and ideological meanings.
- to aim and to demand that the youth be in step with the world in the field of culture, by increasing mutual exchanges of publications, cultural meetings, exhibits, festivals, and groups of singers and performers, stressing the expansion of individual and group tours for the youth and removing every barrier to the free dissemination of domestic and foreign information.
- to form a younger generation with a solid moral culture in whom the virtues of our people will be harmonized with the requirements of contemporary progressive morality and the legal norms of the law-governed state.

—to insist that the cultural institutions renew the content and forms of their activity so that they will respond to the modern tastes of the young public.

4. To militate for a real qualitative leap in the field of recreation and sports activity for the youth.

For this purpose:

—to demand, directly as an organization and by means of its representatives in the People's Assembly, that the state invest in the construction of vacation, recreational, and sports institutions for the youth such as: vacation camps, cultural palaces, sports centers, game rooms, discotheques, etc.

—to aim at the formation of the young athlete by means of different activities within and outside the country, the creation of sports associations and the satisfaction of all the needs for various sports articles and clothing.

—to aim to ensure that there is respect for the tastes and cultural preferences of the masses of the youth and for the individual tastes and preferences of the youth, apart from stereotypes, models, and unjustified interference.

—to become involved in and to persistently demand from the state and society the satisfaction of needs for recreation and sports activities, especially for youths in the villages where there is very great and unjustified backwardness.

—to insist that the state organs improve the living conditions, the food, and the treatment of youths in the military. In particular, to use its influence to ensure that the cultural and sports activity in the Army will be revitalized in form and the supply of necessary articles, such as radios, television sets, and tape recorders, as well as the number of libraries, game rooms, etc., will be increased.

The Union of Working Youth of Albania expresses its conviction that this election program will gain the full commitment of the younger generation and will have the full support of the working masses of the country.

Vote for the candidates of the Union of Working Youth of Albania!

Democratic Party's Pashko Examines Economy

AU0502181591 Tirana RILINDJA DEMOKRATIKE
in Albanian 16 Jan 91 pp 5-6

[Article by Gramoz Pashko, doctor of economics: "The Situation Is Serious, But Not Without a Solution"]

[Text] The Albanian economy is now gripped in the vice of a very serious crisis. The parlous state of the market shows this better than any description. Rationing has been a real tragedy for a long time now, so the time when there was no coupons has become a distant memory. Each article in short supply also stimulates a black

market with speculators and bribery. "The new economic mechanism" has raised a lot of questions, above all anxiety over whether jobs will be preserved, and whether working conditions will be improved at all. The acute social tensions are the origin of another worrying form of hunger: the desire to emigrate abroad. Why are all these things happening and how long will they last? This is a reasonable question in the minds of ordinary people.

To admit openly that we are experiencing a serious crisis is at least a significant step forward; however, to point fingers at the effects of the world crisis, the falling prices of raw materials, and the drought as the causes of this crisis is to remain a long way from the principal cause.

The roots of our economic crisis are in no way superficial or accidental. They do not lie in poor organization and management or ignorance, as is often said.

These roots lie very deep in the centralized system itself, which is bureaucratized to the marrow and moth-eaten with Stalinist economic dogma. It is for that reason that it cannot be uprooted by using the methods of this same dogma.

It has now long been known that the way our industry was conceived and structured was one of the factors which generated the present crisis. The myth of heavy industry, typical of Stalinist industrialization, was utterly unsuited to a country like ours, an agrarian country with a virtually total lack of the infrastructure necessary for the development of heavy industry and with a high demographic growth rate.

Data show that in 1960 heavy industry (group A) accounted for 45.9 percent of industrial production, while light industry and the food industry (group B) accounted for 51 percent. By 1970, this balance deteriorated to 57 percent compared with 43 percent, and in 1988 the disproportion was even more marked, at 63.9 percent compared with 36.1 percent.

The problem does not lie solely in the fact that most of our industry is heavy industry; this is not a reason to vilify it. The evil is that our industry mainly produces spare parts or raw materials—i.e. more resources or intermediate elements for production than finished consumer goods. There is therefore a major discrepancy between investments and the earnings from them, between production and consumption, and between demand and supply. It has always been reported that production has risen from one five-year period to the next and from one year to the next, but if this is true it is not confirmed by the market, which on the contrary has continually emptied, because what has been produced and perhaps expanded has been expenditure and money in circulation, not products for the market.

Collectivized agriculture, commanded by the euphoric idea of producing cereals at home, created major imbalances between industry and agriculture and between the growth in wages and supplies to the people. Since 1985,

agricultural production has fallen annually: Agricultural production per person in 1988 was about 200 leks lower than in 1985, or about 8 percent lower. This is because yields in almost all crops have fallen, with the sole exception of wheat.

A mania for size—i.e. the idea that the appearance of large factories would testify to the magnificence and economic strength of the socialist system—was an equally harmful factor. Giant enterprises well supplied with investments and raw materials produced much less than their dimensions suggested. A huge factory that itself produces equipment, instruments, and even machinery for its own needs spawns endless auxiliary and maintenance departments, increases its costs with all this expenditure, and also further increases expenditure for its products or the services that are carried out with these spare parts.

As early as the second half of the seventies, a restructuring in the favor of light industry, the food industry, and services was necessary, alongside a shift from enormous enterprises to small ones, so that the increase in real incomes could be accompanied by the higher production of consumer goods and services. Two major motivating factors that should have been considered appeared at this time: demographic growth and changes in the age and employment structure of the population. The population increased by 23 percent between 1979 and 1989, while the population of working age increased even faster.

Population growth was accompanied by the massive creation of jobs unjustified by a parallel growth in production. These led to an increased wage bill, creating a very powerful basis for inflation that was carried over from year to year in secret ways. The increase in total incomes (not incomes per person) rapidly expanded demand for food and consumer goods, which was not satisfied by the same rate of growth in the industries that should have produced article for daily use, such as light industry and the food industry, and agriculture.

Foreign trade also relied on this unbalanced structure. Our exports were dominated by heavy industry, mainly extracting or processing industries (always producing raw materials such as oil products, electricity, chrome, ferrochrome, nickel, copper, and copper wire), which accounted for 57 percent of our exports, while only 18.4 percent of our exports were food or finished products such as rugs, artistic products, cigarettes, and brandy. The 8.2 percent of exports made up of unprocessed food products (which means fruit and vegetables) again represented raw materials. Meanwhile, modern world industry uses fewer and fewer resources and raw materials.

The experience of earlier reforms in countries of the East, including Yugoslavia, showed that under the conditions of a system almost identical to self-financing, with the absence of privatization or a real financial market, the need for resources led large enterprises to import materials in an uncontrolled way, without being

in any condition to export effectively, because the majority of their exports were again raw materials. The large debt that was created, along with inflation and unemployment, was one of the powerful generators of the economic shock they suffered.

The suffering of others should be a lesson to us.

The serious economic crisis and the need for swift restructuring into a market economy to prepare for the economy's Europeanization conflict with each other. The two exacerbate each other, but also wipe each other out. Restructuring and higher efficiency could be achieved with an influx of foreign capital, and this would minimize the effects of the crisis. This process, however, cannot be carried out in an atmosphere of domestic tension, in which new problems are added to old ones, tension is added to tension, poverty to poverty, and so on. Western countries do not give help to a state whose still unstabilized political system does not meet the conditions of the Copenhagen Charter: genuine political pluralism according to international standards, free elections, the separation of the state from political parties, human rights according to international standards, and specific laws to protect private property. Therefore, if the absence of aid delays the solution of the crisis, the crisis hinders restructuring.

There is no doubt that our national industry was created from nothing in the 46 years since the liberation. It was the effort and sweat of ordinary people that built it. We are not faced with the problem of discussing what we have achieved, but the question of whether we can go on with what we have achieved.

The first necessary point is that of openness, speaking frankly. It starts with a frank admission of the mistakes that have been made and serious efforts not to repeat them. There is an urgent need for the publication of data about the real state of the economy and all the imbalances which have arisen. Openness would not allow old failures to be repaired by means which stem from these same failures. Nor would it allow this repair to take place in the form of experiments or to be left in the hands of various individuals.

Second, we need to restructure industry in different directions to those of the present day, in directions which will correspond to future world developments. This demands the creation of all the legal, economic, and practical conditions for the development of small and medium-sized enterprises, especially private ones. Privatization must be real and not on paper. It can therefore not be left in the hands of bureaucrats. It can only be real when it is established on a legal basis, and when decisionmaking is not in the hands of civil servants but is enshrined in legislation on the inviolability of private property, with various concessions to enable it to flourish. Privatization knows no compromise with giant monopoly enterprises subsidized by the state. Their immediate closure, accompanied by the allocation of funds for workers who will lose their jobs, is the second key.

Until new jobs are created, these workers can receive the same wages as before from the funds saved from the subsidies to the enterprises, the saving of materials which are today consumed largely parasitically, lower retirement ages, longer maternity leave for women, an extra paid work-free day every week, and so on. This would reduce superfluous workplaces. There would be a gain from savings in imported raw and auxiliary materials, expenses for medical treatment, social security, etc. Without affecting current living standards, the restructuring of the economy can begin immediately, by dismantling fossilized and worn-out industries that only bring misery to their workers and by freeing the ground for small and medium-sized enterprises to flourish, and so on toward privatization.

Nevertheless, the oxygen would be foreign capital, which demands absolutely free conditions for the development of private property. It also demands real and effective political pluralism. In such areas, our legislation resembles a vacuum, totally void. The longer these solutions remain in the hands of officials who are often corrupted by their privileges, the longer it will take to emerge from the crisis, and the closer a catastrophe for the country's future will approach.

The economic situation is genuinely serious, but not without a solution.

Council of Ministers on Stabilizing Supplies

AU0502162791 Tirana Domestic Service
in Albanian 1430 GMT 5 Feb 91

[Unattributed report: "Explanation by the Council of Ministers' Press Office"]

[Text] The Council of Ministers' Press and Information Office feels it necessary to issue an explanation concerning the report on the Council of Ministers' meeting on 25 January. This report has been interpreted to mean that the shops will be filled with all the necessary foodstuffs and industrial goods by 15 February, and that all factories will be guaranteed imported raw materials.

First, the Council of Ministers (?instructed us) to say that the orderly distribution and redistribution of foodstuffs at our disposal will be established by 15 February. For this purpose, the Council of Ministers set the task for producers, transporters, and sellers of these goods to coordinate their work, to avoid the poor management that results in a failure to place these goods on the market because of a lack of packaging, internal transportation, etc. The Council of Ministers also sets the foreign trade bodies the task of securing the planned food supplies on time. From the results so far of an inspection carried out by the Council of Ministers, it appears that the appointed tasks are being carried out as planned, regarding both domestically produced and imported foodstuffs. For the first two months of this year, reserves of foodstuffs worth \$27 million have been released.

Second, the Council of Ministers set the task at this meeting of stabilizing by 15 February work in those factories not suffering from a shortage of raw materials or which can secure them within the country. It instructed these enterprises to put an end to poor organization and workers' slackness. The Council of Ministers will demand more control and discipline from the ministries to improve the situation and to find ways to alleviate the situation in those enterprises which lack imported raw materials.

Third, regarding firewood, the Council of Ministers set the Ministry of Transportation and the General Directorate of the Communal Economy the task of eliminating the anomalies which have been noticed, solving this problem as fast as possible. In recent days, the Council of Ministers has also instructed the Ministry of People's Defense to use its vehicles to help transport wood.

As for the supply of seasonal vegetables, milk, and fats, the executive committees of the district people's councils have been given the specific task of accelerating their work in vegetable and dairy production, to increase production and delivery, so these bodies may meet the needs of their own districts and honor their contracts with other districts. The Council of Ministers, supervising the completion of these appointed tasks, has continually drawn attention to the need for both central services and the executive committees in the districts to intensify work in the aforementioned fields.

Nano Speaks at World Economic Forum in Davos

AU0502154191 Tirana ATA in English 0905 GMT
5 Feb 91

[Text] Tirana, February 5 (ATA)—Discussion went on at the Davos conference on the development of political and economic reforms in the East European countries and the attitudes of the West towards them. The representatives of different states put forth in their contributions the difficulties the economic reforms come across in the respective countries and the necessity that the Western states back them up.

Discussing on this problem, the vice-chairman of the Council of Ministers of Albania, Fatos Nano, said that this support should not exclude Southeastern Europe, the Balkans included, a very sensible region, whose economic and political stability has a direct impact on Europe's stability. He underscored Albania's serious commitment in such a process of democratic reforms which cover at the same extent the policy and economy, voicing its readiness for fruitful cooperation with Europe and the world.

During these days, the delegation of our country met also with the vice-president of the World Bank, Wilfried P. Talwitz, with the Austrian minister of finance, Ferdinand Lacina; with the Hungarian minister of cooperation with foreign countries, Bela Kadar; with the Forum's president, Klaus Schwab; with the president of Croatia, Franjo Tudjman; with the vice-president of the

European Community Commission, Leon Brittan; with the GATT general director, Arthur Dunkel and other personalities of economic and financial organisms.

World Trade Union Federation Delegation Arrives

*AU0502155991 Tirana ATA in English 1036 GMT
5 Feb 91*

[Text] Tirana, February 4 (ATA)—At the invitation of the General Council of TUA [Trade Unions of Albania], a delegation of the World Trade Unions Federation,

headed by its secretary general, Alexander Zharikov and made up of Jean Francois Courb [name as received], chief of the Secretariat of the Commission of the World Trade Unions Federation for Europe and Annemarie Huseini [name as received], secretary at the General Secretariat arrived on a friendly and working visit in our country on January 4.

The delegation was welcomed at the airport by Sotir Kocollari, president of the General Council of TUA and other comrades.

President Zhelev Returns From CSFR Visit

AU0502204591 Sofia Domestic Service in Bulgarian
2000 GMT 5 Feb 91

[Text] On 5 February Zhelyu Zhelev, chairman of the Republic, returned to Bulgaria from Czechoslovakia, where as head of a Bulgarian delegation, he made an official and friendly visit.

At Sofia Airport Mr. Zhelev met journalists and answered their questions about his expectations related to the development of Bulgarian-Czechoslovak relations, and his assessment of the visit's results. This is what Mr. Zhelev said:

[Begin Zhelev recording] We have always had traditionally good relations with Czechoslovakia. Nevertheless, in this case our relations were considered on a new basis. Both Bulgaria and Czechoslovakia are advancing toward a market economy, and this presupposes a review of the principles of the two countries' economic relations.

My personal expectations were justified, and in certain aspects even surpassed, because everywhere we encountered a positive attitude, benevolence, and willingness to cooperate along the road toward Europe. We both share the goal of being integrated in Europe. I am very satisfied, as are the other members of the delegation, with the talks we had. [Words indistinct]. [end recording]

Government Allocates EC Program Aid

AU0602085091 Sofia BTA in English 2139 GMT
5 Feb 91

[Text] Sofia, February 5 (BTA)—The government will use 40 per cent of the PHARE [Economic Restructuring Aid Program for Poland and Hungary] assistance granted by the Commission of the European Communities for the restructuring of the economy, for demonopolization and privatization. About 25 per cent of the aid will be allocated to agriculture, 20 per cent to health care, 10 per cent to environmental protection. Under the Phare Programme Bulgaria is to receive 100 or 120 million ecus in 1991 and 1992. At today's meeting the government considered the basic projects to which money will be allotted. In agriculture, the aid will be used to import machines, materials and installations intended for the private producers, technical assistance on shaping the new policy of the Ministry of Agriculture and the Food Industry, establishment of a commodity exchange. In medicine, the money will be used to import medical equipment and consumables.

Bulgaria is included in the Tempus higher education programme as well and will be granted 3,000,000 ecus this year.

Army Daily Comments on Baltic Affairs

AU0502112191 Sofia NARODNA ARMIYA
in Bulgarian 25 Jan 91 p 1

[Miroslav Dobrev report: "More Nerves Than Common Sense"]

[Text] "Why don't you get lost?"—"Go home!"—These and similar rude expressions could be heard often in the Baltics throughout the last few weeks. The people in uniform to whom such words were addressed showed that they are masters of the situation, guided by the principle that "if there is strength there is also power." Numerous people in the Baltic area are convinced that the tanks are the first step toward taming the "insubordinate" republics and toward introducing the presidential power that they do not want.

With the laws adopted by the Republican parliaments in 1990 the Baltic republics convincingly showed their intention to leave the Soviet Union. This act provoked great discontent in Moscow and led to the clash between the central government and the Baltic republics, which further exacerbated the already existing tension, resulting from the economic disintegration of the USSR. New aspects of the situation emerged that emphasized the social tension and ethnic confrontation.

The actions of the two sides over the last half year by no means contributed to an alleviation of tension. The inevitable results of this development followed in due course. The entire Baltic region is split by a dividing line that separates and puts the various populations of the republics in opposition to each other: Latvians against non-Latvians, Lithuanians against non-Lithuanians, and Estonians against non-Estonians. The problem was particularly acute in Latvia, where nearly half of the local inhabitants are of different ethnic origins. The majority of them are Russians, but Poles, Belorussians, and Ukrainians are also numerous. I repeat that both sides are responsible for escalating tension. The local parliaments are responsible for having adopted certain laws without fully taking into consideration the realities existing in their republics. Moscow is responsible for further instigating hostilities in the area. Taking advantage of the local CPSU organizations, the central leadership in Moscow pursued the goal of frightening the non-native population by insinuating that an uncertain and unhappy future awaits them in case the republics separate from the Soviet Union.

Thus, is understandable why the efforts of the Baltic governments to promote radical economic reforms aimed at the total liberalization of prices and an accelerated transition to market economy frightened the aforementioned people and encouraged them to demonstrate in the street. The fear of ethnic discrimination was added to their general feeling of insecurity.

Similar moods also pervaded the ranks of the military personnel in the Baltic military okrug. They are intensified by the negative attitude toward the Soviet Armed Forces which prevailed not only in that area, but in the majority of the other Soviet republics. We should admit that the Soviet officers do not have an easy life. The insufficient social protection, the requirement of loyalty to one side, and the hostility of the local population determined the preferences of the majority of the military personnel in advance: "We cannot find anything positive about the independence of the republics. We will do everything within our power to prevent it!" This is the opinion of a soldier stationed in Latvia, and he is not the only one who thinks in such a manner.

Approximately 500 "angry" officers who gathered in Riga in January 1991, formed their own union aimed at depriving the legitimately elected parliaments of the republics of their prerogatives and at introducing presidential power. Major Aleshin, one of the leaders of the movement, thinks that presidential power should be introduced all over the territory of the USSR.

The USSR Ministry of Defense fully supports such aspirations. It is no secret that Soviet military circles support a "hardline government" and their political influence is considerable. They also represent the most conservative wing of the CPSU.

What is the possible outcome of the crisis following the deployment of additional troops in the Baltics—disintegration of the state, or a military coup? This is uncertain. However, it is certain that the Baltic area will play the role of a catalyzer in accelerating the final solution.

First Effects of Price Rises, Food Shortages

AU0502123291 Sofia Domestic Service in Bulgarian
1000 GMT 5 Feb 91

[Text] We have received reports today from several of our correspondents on how people throughout the country are reacting during the first days following the start of the economic reform.

In Silistra today, with the exception of bread and fresh and sour milk, the citizens have no chance of making their first purchases at the new prices, just like Bulgarians all over the country. Our correspondent Lyuben Antonov reports, for the 10th day not a single gram of meat or salami has been supplied to the trading network. The reason is that no agreement has been signed on purchasing farm animals for the manufacture of these products. Disputes continue with the management of the pig farm in the village of Sreburna on the prices to be paid for the animals, on which the setting of the new prices for the meat products depends. The situation is the same with dairy products. The [name indistinct] company is still not ready to sell white and yellow cheese.

The new prices have also caused difficulties in city transportation. Because of the higher fares and shortages

of fuel for city buses and buses serving other towns, the numbers of passengers have fallen sharply. The number of passengers on the Silistra-Sofia train dropped by more than one-third. This morning the 50-seater plane on the Silistra-Sofia route departed with only two passengers on board, reported Lyuben Antonov.

An interesting detail is that since the liberalization of prices sales of bread in Silistra have fallen by three or four times.

These are perhaps the first effects of the price reform.

Our correspondent in Vidin reports that the shelves of the stores continue to be empty. Today the stores have no meat, salami, white and yellow cheese, and all the other food products that are lacking in stores throughout the country. Canned fish products were sold out even before the price increases. It is reported that no eggs are available, either. However, it is still possible to find olive oil and corn flour in the cooperative market.

Our correspondent Boris Markov reports on the reactions of the population in the region of Blagoevgrad:

[Being Markov recording] Every day the main subject of conversation is the rise in prices. At work places and in the lineups that still exist, though they are fewer, people hold discussions and ask many questions, to most of which there are still no answers. While the problems last with the supplies of goods whose prices are under government control, the prices of other groups of goods are completely freed of control. In such cases, the economic councils set prices which protect the interests of their own collectives, but are not advantageous for the rest of the population.

The new prices have failed to ensure supplies of dairy products: There is no white cheese, butter, and yellow cheese, and there is a shortage of milk. However, meat and salamis have appeared here and there, and people are buying them, although with reluctance.

As well as having to cope with the crisis and the cold winter days, the population also faces transportation problems. Because of the shortage of fuel, the buses in Blagoevgrad are running only between 0600 and 0800 in the morning and between 1700 and 1900 in the evening. [end recording]

Podkrepa TU Supports Price Control

AU0502162091 Sofia BTA in English 1544 GMT
5 Feb 91

["Podkrepa: Prices Should Be Controlled"—BTA headline]

[Text] Sofia, February 5 (BTA)—The Podkrepa Labor Confederation expressed concern over the fact that 13 of the 16 clauses of the agreement between the government, the trade unions and the employers are not being observed. In the five days since the beginning of the economic reform the prices have gone far beyond the

initial forecasts on the basis of which the poverty line was worked out. "The government should either reintroduce price controls or redefine the poverty line," Dr. Krustyu Krustev, spokesman for Podkrepa, told a press conference today.

Under pressure from Podkrepa, one of the two influential trade union amalgamations, the government today promised that the trilateral committee for harmonization of interests would consider the introduction of a price control mechanism. Fuel prices, which had been liberalized at the insistence of the government, are most likely to be fixed again.

TU Confederation 'Concerned' About Price Reform

*AU0502211691 Sofia BTA in English 2053 GMT
5 Feb 91*

[Text] Sofia, February 5 (BTA)—The Confederation of Independent Trade Unions in Bulgaria is concerned over the implementation of the price reform in the country. According to the confederation's estimates, the prices, deregulated as of February 1, 1991, are 30 percent higher than the predicted ones which violates the agreement between the government, the trade unions and the employers.

The confederation believes that the trilateral committee for harmonization of interests should consider the situation and take measures to defend the interests of the public.

It was announced that private telephone charges will jump twofold and corporate telephone charges fourfold as of February 11.

Tomov Says February, March 'Most Difficult'

*AU0502205791 Sofia Domestic Service in Bulgarian
2030 GMT 5 Feb 91*

[Text] Price control will not be exercised through administrative but rather through economic measures, Aleksandur Tomov, deputy chairman of the Council of Ministers, said today after the meeting of the Council of Ministers. The introduction of a mechanism on controlling the prices of goods of the second category—the most necessary basic goods—was discussed at the meeting.

According to Mr. Tomov the first price shock was not fatal and things are developing according to the government's expectations. The chaotic price increase is a result of the producers' striving to quickly accumulate profits. At certain places there were manifestations of monopoly. However, the state will apply various mechanisms of controlling the prices. Mr. Tomov stressed that prices will not be limited, because this is not characteristic of market economy. According to him, February and March will be the most difficult months.

Government Bans Export of Food, Other Goods

*AU0502211891 Sofia BTA in English 2050 GMT
5 Feb 91*

[Text] Sofia, February 5 (BTA)—Today the Council of Ministers banned the export of a number of staple foods and industrial essentials such as milk, yogurt, sugar, cooking oil, cream, rice, lentils, powder milk, fodder grain, phosphatic fertilizer, pig skins and cattle raw hides, wool, cotton, flax, hemp, cocoons and silk crepe.

The government has introduced export duties on certain goods including petrol, diesel fuel, rolled ferrous metals, electrolytic copper, zinc, lead, timber, all kinds of paper, packaging, soap and detergents, fabrics and children's clothes, underwear and hosiery, electric batteries and storage batteries, lighting fixtures and medicine. The export duty will be 20 per cent of the official exchange rate equivalence in leva of the foreign currency proceeds.

A 30 percent export duty will be imposed on bread grain, live cattle, meat and meat products, cheese, kashkaval (Bulgarian yellow cheese) and poultry flesh.

Mr. Atanas Paparizov, minister of foreign economic relations, said that these restrictions will be removed as soon as the supply of these scarce items is stabilized.

Government Raises Rate for Transferable Ruble

*AU0502143791 Sofia BTA in English 1328 GMT
5 Feb 91*

[Text] Sofia, February 5 (BTA)—The Council of Ministers today issued a decree raising the internal exchange rate of the transferable rouble from 1.05 to 3.50 leva. The idea is to encourage exporting companies and to help cover Bulgaria's trade deficit with CMEA [CEMA] countries in government-level contracts.

The decree lays down regulations for internal settlements for export and import of goods and services in transferable roubles under the annual protocols, the contracts signed independently of these protocols and the related services for 1990. These regulations will also apply to contracts signed in 1991 for covering the deficit and to liquidation settlements from January 1, 1991.

TU Supports Inquiry on Former State Security

*AU0502200091 Sofia DEMOKRATIYA in Bulgarian
29 Jan 91 p 1*

[Aneliya Khristova report]

[Text] The editors have received a declaration adopted by the participants in the meeting held in Strelcha of delegates of the independent trade union organization of employees of the National Service for the Protection of the Constitution and the administrative and management structures in the Ministry of Internal Affairs. The declaration expresses support for the measures taken by the government to investigate the activity of the former State Security. We are convinced, the declaration states,

that if this investigation is carried out using the civilized means characteristic of democracy, it will limit the number of cases of crimes committed in course of the fulfillment of laws, statutes, orders, and official duty. The clarification of these issues will help to strengthen the security of the Republic of Bulgaria.

The trade union organization will fully assist the commission of investigation, including by sending its representatives to take part in the investigation. The participants in the delegates' meeting hope that the relevant authorities will also consider their proposals both during implementation of the new structures in the Ministry of Internal Affairs and during the adoption of the laws on the status of the Ministry of Internal Affairs and the activity of the security organs.

Energy Industry Committee Denounces Strikers

*AU0502192491 Sofia DUMA in Bulgarian
31 Jan 91 p 2*

[Unattributed DUMA report: "Joint Strike Committee Creates Tension, the Leadership of the Energy Industry Committee Claims"]

[Text] The so-called Joint Strike Committee in the energy industry sector continues to cause tension with its permanent threats of being ready for strike and trade union actions. It has already become evident that by initiating such "trade union" actions the strike committee's objective is to implement its fundamental political request for the immediate resignation of the existing Energy Industry Committee leadership and for its replacement with members of the strike committee or their supporters. This statement is expressed in a declaration of the committee signed by Georgi Khalachev, its deputy chairman.

The declaration further points out that in view of the exceptionally difficult, current situation facing our energy sector and the country's total economy, the actions of the joint strike committee which, though representing only a minor portion of the hundreds of thousands workers engaged in the energy industry branch, claims the right of speaking and acting on everyone's behalf, can only be defined as irresponsible.

The present leadership of the Energy Industry Committee is convinced that the question of appointing a new chairman for the committee should be urgently resolved by the government. The committee firmly supports the principle that the election of a chairman and of a new leadership should not be settled in accordance with political motivations, but on the basis of the candidates' professional skills and qualifications.

Reforms in Communications Sector Announced

*AU0502212491 Sofia DUMA in Bulgarian
31 Jan 91 pp 1, 2*

[Report on interview with Atanas Popov, chairman of the Committee on Communications and Information

Science, by unidentified reporter; place and date not given; first paragraph is introduction]

[Text] Atanas Popov, chairman of the Committee on Communications and Information Science stated as follows in an interview with our DUMA reporter: The market economy can help the country to achieve the long-awaited economic success only on the basis of a viable communications system guaranteeing reliable and relatively cheap services for all consumers. It is no coincidence that the first experts from the EEC PHARE [Economic Restructuring Aid Program for Poland and Hungary] who appeared were communications specialists. On the basis of their analyses and recommendations the communications reform in our country is expected to develop simultaneously in three different sectors, namely in the legal, economic, and technical sectors.

[DUMA] I presume that you will propose a new law on communications in the legal sector?

[Popov] Not only a law. We envisage the establishment of a state organ with a small staff of experts and clearly defined regulating functions, and we also intend to set up various economic organizations based on the company principle, working along specific lines and engaged in special activities. This should not be understood as an effort of scattering the nationwide communications system which, because of its specific nature is indivisible and mutually interconnected, regardless of the extent of privatization in a given country. This is the case in all European states. In our country approximately 10 independent companies will be "put into operation" as early as at the beginning of 1991 in the field of communications services, industry, construction, philately, and so forth. This act should guarantee the implementation of the program related to improving the effectiveness and quality of communications.

[DUMA] Does this signify that you intend to dismantle your own monopoly on the communications services?

[Popov] Yes, this process is under way, indeed. It is, however, understandable that because of the infrastructural nature of communications, the demonopolization cannot be comprehensive. It should be implemented through structural changes along horizontal and vertical lines on the basis of the presently valid legislation, and after the necessary economic conditions for the financial autonomy of the major communications sectors, such as postal services, telephone and telegraph communications, radio, and television, have been provided.

[DUMA] Do you intend to allow the existence of companies engaged in communications services outside the central network?

[Popov] Naturally, this is not only permissible, but even desirable. Vast opportunities for such companies exist in the field of building communication facilities; in repairing official telephone switchboards, and the terminal apparatus; in delivering packages, and newspapers, and so forth. Additional services, responding to

increased demands, could develop on this basis. However, they should by no means affect the indivisible nature of the total communications network. Under these circumstances, if certain private companies should engage in communications activities, they should do so on the basis of loyal competition in accordance with state standards and other requirements for communications services and activities, in conformity with the liberalization of prices and tariffs, in accordance with the rules of privatization.

[DUMA] You mentioned tariffs and prices. Is a liberalization of prices required in your sphere, considering that communications are almost the only profitable branch in our otherwise unprofitable national economy?

[Popov] Unfortunately, price liberalization in the communications industry and in the sector of construction materials has become necessary as the new equipment and some spare parts must be purchased in foreign currency, which is reflected in the prices of communication services. In addition to this, the former ridiculously low fees that were artificially kept up over several years (some of them dating back to 1956), make it impossible for us to communicate with the other postal administrations on a basis of equal partnership. As a matter of fact, we are facing the opportunity of setting our own prices instead of awaiting the instructions of the Council of Ministers on this matter as in the past. We envisage a certain increase of fees for communication services which should not exceed the price of the resources we use. In the opposite case we should be obliged to freeze the development of this branch as a whole. This would be an utterly unacceptable state of affairs for a system such as ours, especially under the present conditions.

[DUMA] Can you describe the trend in technological modernization?

[Popov] We prepared draft projects on digitization of the international and inter-urban communications network, of the cellular telephone network for vehicles, of the nationwide network for data transmission, and of the video-text information system. The draft projects are approved by EEC and World Bank experts, and have been submitted to the European Bank of Restoration and Development.

[DUMA] One last question: What is your opinion on the establishment of business services for private radio and television networks?

[Popov] My attitude toward this question is positive. As early as in 1991 a special business telephone network will be established in our country. It will be in charge of providing prompt and reliable services for modern terminals in offices, business branches, and foreign trade organizations. As far as private audio-visual programs are concerned, we are expecting the Grand National Assembly to pass a new law on radio and television.

BSP Opposes Turkish Language Study

AU0502180291 Sofia BTA in English 1638 GMT
5 Feb 91

["BSP Sees Turkish Language Study as Ethnic Threat"—BTA headline]

[Text] Sofia, February 5 (BTA)—The leadership of the Bulgarian Socialist Party (BSP) believes that the study of the Turkish language may be extended to Bulgarian Mohammedans, which would be unconstitutional, journalists were told at a news conference here today. The BSP does not question the right of citizens of non-Bulgarian origin to study their language but opposes the attempts to involve Bulgarian native speakers in this process. The presidium of the Supreme Council of the BSP emphasizes that it will oppose any attempts to segregate groups of the people and set them against each other under the pretext of respect for human rights.

According to the leadership of the BSP the study of the Turkish language should be an optional subject taught at Bulgarian schools only according to curricula and methods worked out by the Bulgarian Ministry of Education.

The Socialist Party has learnt that in some population centers tensions have been mounting and there have been attempts to replace teachers and other public office holders and to practice ethnic and economic discrimination.

Concerning the BSP property, Mr. Blagoy Dechev, senior BSP functionary, said that it was legal but immoral in view of the grave economic situation of this country.

Mr. Lyubomir Kyuchukov, deputy chairman of the BSP, discussed the activation of the Socialists' international contacts and the talks held in a number of European capitals with representatives of socialist and social democratic parties. He said that the Socialist Party is preparing to join the Socialist International.

Ethnic Turkish Schoolchildren on Strike

AU0602084791 Sofia BTA in English 2149 GMT
5 Feb 91

[Text] Sofia, February 5 (BTA)—Thousands of ethnic Turkish schoolchildren in southeast Bulgaria are on strike over the failure to include Turkish language on their second-term curriculum contrary to the initial promise.

The situation in the region is alarming because thousands of minors and underage schoolchildren have been involved in the strike action. According to local sources, the mounting tensions between the strikers and other youngsters who do not take part in the action might lead to unforeseeable consequences.

The regional department of education said that the incident is outside their competence and should be considered by the Political Consultative Council with the Presidency.

The Bulgarian National Radical Party has repeatedly stated that the introduction of Turkish in Bulgarian schools is a betrayal of national interests.

The main political parties—the Bulgarian Socialist Party, the Union of Democratic Forces and the Bulgarian Agrarian Party—said that the Constitution provides for the right of ethnic Turks to study Turkish at school but this right should be administered by the state. The Fatherland Union, which shares the same view, said that the Ministry of Education should handle the organizational matters related to the introduction of Turkish in school curricula.

Police Fear Theft of Radiation Sources

*AU0502142391 Sofia DUMA in Bulgarian
30 Jan 91 p 1*

[Plamen Enchev report: "Militia Specialist Claims Nuclear Terrorism Is Possible"]

[Text] Recently, attempts to steal sources of ionizing radiation have increased. However absurd it may seem, it is possible that unscrupulous people may use them as a means of terror, stated Captain Yordan Fotev of the Section for Control of Equipment Representing a Danger to the Public at the Militia Directorate.

A new trend in the work of this section is to investigate all cases of the misappropriation and incompetent use of radioactive sources.

At the end of 1990, the Telephone Equipment Plant in Bansko sent a container packed with fire detection equipment to Sofia. When the container was unloaded, four sensors and five monitoring units that contained sources of ionizing radiation were missing. In the view of the specialists, these instruments might present a danger to life and health, because it is most likely that they have fallen into the hands of incompetent persons. Captain Fotev said that the fire detection instruments, which contain small sources of ionizing radiation, might increase the overall level of background radiation, as well as causing secondary irradiation, which might lead to radiation sickness.

Some time ago, an enterprise of the foreign organization Gazstroyontazh shipped some flaw detectors to Bulgaria. However, these instruments failed to arrive at their destination. It is presumed that these were also stolen.

At the insistence of the militia, a small lead-shielded room was constructed at Sofia Airport. All shipments from abroad that contain radioactive isotopes needed by our industry pass through this room. In 1989, Captain Fotev found in this room a container filled with iodine-131, which had been supplied for medical purposes, but which no one had collected.

It is possible that terrorists might place stolen radioactive elements in public water supply sources and thus endanger the health of many people. There is an even greater risk of terrorists threatening people's health through ignorance and incompetence.

The Militia Directorate announced that anyone who has any information about the missing fire detection apparatus may ring the telephone number 82-29-85.

Danger From Radioactive Instruments Said Slight

*AU0502143191 Sofia DUMA in Bulgarian
31 Jan 91 p 1*

[Text] In connection with the report on DUMA of 30 January entitled "Militia Specialist Claims Nuclear Terrorism Is Possible," the editors have received the following additional statement from the Section for Control of Equipment Representing a Danger to the Public at the Militia Directorate:

Fire detection sensors contain minimum amounts of a radioactive substance that emits alpha-particles with a low penetrating ability, and accordingly cannot increase the level of national background radiation even over short distances. A risk does exist if the source comes into contact with the skin or is swallowed. Because of the weak radiation effect, some countries, such as England, omit them from radiation control.

The radioactive sources in flaw detectors have a much higher degree of radioactivity and create a certain radiation danger for persons who handle them, especially people who are not qualified and informed.

An incompetent person handling the radioactive source of a flaw detector may suffer radiation sickness or serious radiation injuries, reads the statement.

Presidents Havel, Zhelev Hold News Conference

*LD0502115891 Prague Federal 1 Television Network
in Czech 2147 GMT 4 Feb 91*

[News conference by President Vaclav Havel and Bulgarian President Zhelyu Zhelev in Prague on 4 February—recorded; Zhelev speaks in Bulgarian with superimposed Czech translation]

[Excerpts] [Passage omitted] [Havel] We both agreed that we were very alarmed by the developments in the Soviet Union. We are following them closely with certain fear, and we support the lawfully elected bodies of the Baltic republics.

As is usual during such visits, we discussed various bilateral questions: how to give a new basis to our cooperation in the spheres of economy, trade, and culture.

We also discussed more general issues concerning the future of the European continent, and in this sphere we hold very similar views. We think that those countries that got rid of their totalitarian regimes, are no longer Soviet satellites, and have embarked on the path toward democracy should not find themselves in some sort of no man's land—especially in these troubled times and because of various epicenters of instability. They should contribute in a coordinated way toward forming all-European structures and support each other in efforts to cooperate with or join the existing structures.

President Zhelev said a nice thing—that he understands the recent admission of Czechoslovakia as a member of the Council of Europe as a Bulgarian success as well; that it is our common success. We are, of course, going to support the admission of Bulgaria as a regular member. So far Bulgaria has had the status of a permanent guest. [passage omitted]

As Michael Zantovsky already said, I was cordially invited to visit Bulgaria.

[Zantovsky] Mr. President Zhelev, please.

[Zhelev] [Passage omitted] It is very important to strengthen bilateral relations between the Republic of Bulgaria and the CSFR, to make them a model of future democratic relations between countries with a market economy.

There are no differences existing between us and Poland, Hungary, and the CSFR regarding the fundamental questions of which Mr. Havel spoke. We would not like to be separated from these three countries because our views and stances, which we publicly declared, are fundamentally the same. We would not like to be (?let out) of the process of tackling all the important questions which in one or the another concern our continent, especially those concerning the part of the world we live in. [passage omitted]

I think that so far my hopes have been fulfilled—I am very satisfied with meetings and talks I had here. I welcome the document we signed. I would not like to repeat all those things I have already said today [words indistinct] and I would prefer to answer your question directly: my hopes and expectations have been so far completely fulfilled.

Answering your second question whether the emigration of the intelligentsia from Bulgaria is going to have some kind of influence on Bulgaria joining Europe, I would like to point out that it was not just the intelligentsia who emigrated, workers and those from other spheres of our population did, too. Unfortunately, quite a few members of the Bulgarian intelligentsia left the country, and those are mostly young people. This is, of course, not beneficial for our country, which needs skilled, wise, and well-qualified people in the conditions of our new economy, for a new system we are attempting to implement in our country.

Nevertheless, I would not like to dramatize the situation. This question is sometimes too much emphasized, but it is normal that an emigration phenomenon exists, it is normal that people are leaving for other countries, sometimes purely due to economic motives. I think that this applies to our situation, because there are no political problems or (?violence) in our country.

What will be the influence of this on our joining Europe? I do not think any direct connection exists. If it exists, then it would be both positive and negative. It can contribute toward weakening our country's intellectual potential, but it can have also a positive influence through the presence of the Bulgarians, members of the Bulgarian intelligentsia, in Europe, the United States, and Canada.

[(Lukas)] (Lukas) from REPORTER. I would ask Mr. President Zhelev: How does the Bulgarian Government view relations with Macedonia? And the second question: How does the Bulgarian Government intend to solve the problem of secret police collaborators in Bulgaria? Thank you.

[Zhelev] For us there does not exist a Macedonian minority, there is no Macedonian minority in Bulgaria, and I would like to explain this issue. This is a fundamental and very important issue. [passage omitted] When I say there is no Macedonian minority in Bulgaria I mean that they are pedigree Bulgarians, those who are living in the area which is geographically known as Macedonia. Thus, in this case, we do not show any kind of nationalism, the population there calls themselves Bulgarians, and no one in that area can be forced to be registered as of Macedonian nationality—they would only laugh. The situation of the population in the Macedonian Republic—that is another matter. It is their right to decide what they feel is right.

We will not allow them, however, to interfere in determining the nationality of the others—they have the right for self-determination. As we do not interfere in the

internal affairs of Yugoslavia, we would be pleased if they behave in the same way and no conflicts and tension would arise. This does not assist Yugoslavia, and it is no contribution to our bilateral relations.

The second question concerned our attitude to secret police collaborators. The great people's Assembly has decided to open files of all people's deputies and those who have been secret police collaborators to be identified. [passage omitted]

[Hockaday in English, fading into superimposed Czech translation] Mary Hockaday, the BBC. A question for President Havel: Did you discuss the action your countries will take if a meeting of the Warsaw Pact Political Consultative Committee is not held in the end of February? Will both your countries try to jointly secede from the Warsaw Pact?

[Havel] I am able to speak at the moment only on behalf of Czechoslovakia. It is a matter of further talks between all participating countries. I personally think that it would be an alternative that should be indicated and considered in all seriousness as a response to a failure to hold the meeting of the Political Consultative Committee for some reason.

[Zantovsky, to Zhelev] Mr. President, is there anything you would like to add to this?

[Zhelev] I would like to give approximately the same answer to this question, because I think that our individual secession would not be (?purposeful). This issue must be tackled jointly with other Central and Eastern European Warsaw Pact member countries. I think that matters will develop in a healthy way, and if some difficulties do indeed arise, we shall have to exchange views with our partners and they themselves will be discussing this issue in their parliaments. [passage omitted]

[Unidentified representative of the Bulgarian Cultural and Information Center in Bulgarian, with superimposed Czech translation] This is for both presidents: One document, a treaty between Bulgaria and Czechoslovakia (?signed six years ago) opens with the words: in the name of Bulgarian and Czechoslovak mutual relations, both countries would reach agreements on the following, and it lists priority tasks of Czechoslovak-Bulgarian mutual relations. Aside from tourism, what are—as it emerges from today's meeting—other common lines of approach?

[Havel] Naturally, we have not been discussing only tourism—although in the case of Czechoslovakia, tourism is an important part of our relations with Bulgaria because almost half a million of our citizens used to travel there annually. We have discussed the economy, the economic cooperation, in a much broader context. Relevant members of the government have also discussed that on their own. We have also discussed the possibility of investment of joint companies and so on. We have discussed cultural, scientific, and technical

cooperation, and it has to be somewhat newly reestablished after the joint committee, which was to formulate principles of that cooperation, folded. The cooperation as such will then be a matter of mutual contacts between enterprises, societies, and private businessmen.

[Zhelev] I think that tourism has never been the only priority in our interstate relations, although it has always played an exceptionally important role in our bilateral relations. In the industrial sphere—the machine building—specifically in the car manufacturing industry, we have had very stable and important relations with the Czech and Slovak Republics, and for the future, I think we will not limit ourselves to tourism. But we do not prescribe to our future market economies what the priorities should be. It is not logical for us to say in advance that this or that will develop, that time will tell.

[(Brod)] Petr (Brod), Radio Free Europe. I have two questions for Mr. President Zhelev. Both sides stressed here that an absolute concord exists regarding the issues of the Warsaw Pact. Would it not be logical under these circumstances that your country could also contribute to the Czechoslovak-Polish-Hungarian summit in Visegrad that is being organized? Are your efforts aimed at this? The second question is: An attempt on the life of the Pope John Paul II was committed almost 10 years ago. The so-called Bulgarian connection was much discussed at that time. Will your government be re-examining these facts, and will it publish some new findings?

[Zhelev] As far as the talks about the fate of the Warsaw Pact are concerned, then it is precisely thanks to the same views of our countries that I think it logical that we should take part in similar meetings in the future. I hope that our friends will not forget us.

The second question: An attempt on the pope's life was carried out seven years ago. The investigations continue. Several months ago I said that we are opening similar investigations, because more than any one else, more than any other country or organization, Bulgaria is interested in finding the whole truth about this case, whether the Bulgarian factor exists or not, and if it does then in what form, what happened, what is the attitude of our institutions to it, and so on. Investigation is under way, all the more so because the 10th anniversary of this event is approaching and this issues will inevitably become topical. We are interested in telling the whole truth. We wish to tell the truth with which we would present ourselves to the world as a new and young democracy which does not compromise with the truth.

[Zantovsky] Both presidents have other things on their agenda, and we have time for approximately two questions. Mr. (Hejma), if you please.

[(Hejma)] Petr (Hejma), ASSOCIATED PRESS. I have a question for both presidents. It appears that their view of the Warsaw Pact cessation is very similar if not identical. After its cessation—no matter in what way it happens—do you consider your country's membership in the NATO military alliance?

[Havel] I will answer on Czechoslovakia's behalf. After the Warsaw Pact cessation, NATO will be the only functioning democratic security alliance in Europe. Czechoslovakia pins its future hopes—and our various proposals stressed this—to an idea of new pan-European security system which could, in our view, successfully sprout from the soil of the Helsinki process. Nevertheless, as the already well-functioning and tested alliance, we perceive NATO as something which could merge well with the future pan-European security structure. We wish to maintain very good relations—relations of cooperation with NATO. I personally am due to visit NATO headquarters and give a speech there. A NATO delegation arrived today—Mr. Woerner was here. We simply wish to maintain good relations and good cooperation. The future will show whether it will be turned into the form of a joint declaration or a treaty.

[Zhelev] [Passage omitted] The events in the Persian Gulf have shown that it is not possible for the UN itself—the organization all of us like and hold in esteem, respecting its principles—to cope on its own with a situation when violence and brutal suppression of the principles of international law are involved. Some kind of a guarantor is necessary, and this is how I think about the future role of NATO if, God willing, it does not also become a superfluous organization. [passage omitted]

Meciar, Miklosko Meet Zhelev

LD0502192991 Prague CTK in English 1655 GMT
5 Feb 91

[Text] Bratislava Feb 5 (CTK)—Bulgarian President Zhelyu Zhelev told journalists today that relations between his country and Turkey are good at present, amid the Persian Gulf crisis.

He said that Bulgaria wants to have good contacts also with Greece and other neighbours because it regards these relations as crucial for national security.

Zhelev was speaking after his talks with Slovak National Council (parliament) Chairman Frantisek Miklosko and Prime Minister Vladimir Meciar in Bratislava today. The Bulgarian president spent the first day of his two-day visit to Czechoslovakia in talks with Federal and Czech representatives in Prague yesterday.

Meciar told the guest that the countries of what was formerly the socialist camp are now competing for the limited Western aid but they should focus primarily on the development of multilateral cooperation between countries of Central and Eastern Europe.

The prime minister of Slovakia, the eastern of Czechoslovakia's two constituent republics, reaffirmed his government's commitment to the preservation of Czechoslovakia as one state of the Czechs and Slovaks.

As Bulgaria voiced an interest in specific cooperation with Slovakia, Meciar proposed that a delegation of Bulgarian ministry experts visit Slovakia shortly to deal with the particulars.

Zhelev considers tourism a major opportunity for cooperation but noted that the interest of Czechoslovak tourists in Bulgarian resorts has declined. They are not satisfied with the services and would also like to pay in their national currencies. This possibility has been discussed during the talks.

Reinforcements for Antichemical Unit in Saudi Arabia

LD0502095691 Prague CTK in English 0929 GMT
5 Feb 91

[Text] Prague Feb 5 (CTK)—A Czechoslovak military plane Tu-154 left here today for Saudi Arabia with 37 soldiers-volunteers who will reinforce the special antichemical unit operating in the area.

Aboard the plane there is also more than half a tonne of letters and presents for soldiers, medical and technical equipment and food at a total weight of seven tonnes.

Federal Defence Ministry spokesman Colonel Petr Tax told newsmen that two or three men from the unit are expected to return to Czechoslovakia. The situation in the vicinity of the unit's operating area is calm and soldiers feel good, he said.

Almost 50 Percent Polled Agree With Unit in Gulf

LD0502175891 Bratislava Domestic Service
in Slovak 1100 GMT 5 Feb 91

[Excerpts] A special military plane took off from the Ruzyně Airport in Prague today for Saudi Arabia. Our colleague Miroslav Mlynar gives more details:

[Mlynar] [Passage omitted] Journalists boarding the plane told other journalists that they had asked to be included in the unit and that they are flying voluntarily to the military conflict zone. The CSFR special military plane should return home over the weekend. Thus further envoys from our country have left for the Persian Gulf. Views expressed by citizens on the participation of the unit in the multinational forces in Saudi Arabia differ. This has also emerged from a recent opinion poll carried by the Military Institute of Social Research. Respondents from some combat units of the CSFR Army—national service conscripts and professional soldiers—took part in the poll. Almost 50 percent of respondents agreed with the deployment of the unit. The same number, however, was against. A reply to the question concerning the much-discussed objective character of reporting of the conflict by the mass media was also interesting. The view that press, radio and television reports on events in the Persian Gulf are objective was expressed by 47 percent of respondents. Respondents also answered the question how would they behave if there was a need for their personal participation in the conflict. Here a fundamental difference emerged: Only 10 percent of professional soldiers would try to avoid combat activity, whereas the figure among soldiers in national service was one in two.

Council of Europe Delegation Arrives in Prague*LD0502104691 Prague CTK in English 2132 GMT
4 Feb 91*

[Text] Prague Feb 4 (CTK)—President of the Committee of Ministers of the Council of Europe [CE] Francisco Fernandez-Ordonez, Spanish foreign minister, and CE Secretary-General Catherine Lalumiere arrived here tonight for an official visit to Czechoslovakia, the first leg on their tour of Central and Eastern Europe.

In Czechoslovakia, they will meet with Czechoslovak President Vaclav Havel, Czechoslovak Deputy Prime Minister Jozef Miklosko and Czechoslovak Deputy Prime Minister and Foreign Minister Jiri Dienstbier.

Last Thursday, January 31, the Council of Europe's Parliamentary Assembly approved the recommendation of full membership for Czechoslovakia in the Council. Czechoslovakia will become a full-fledged member on February 21. It will be a second country from the former Soviet bloc, after Hungary, to join the Council of Europe.

Havel, Dienstbier Receive Delegation*LD0502153591 Prague CTK in English 1339 GMT
5 Feb 91*

[Text] Prague Feb 5 (CTK)—Czechoslovak President Vaclav Havel received here today President of the Council of Europe Committee of Ministers, Spanish Foreign Minister Francisco Fernandez-Ordonez and the Council's secretary general Catherine Lalumiere.

The guests voiced support for a speedy incorporation of Czechoslovakia into the European structures. According to them Czechoslovakia should already be there as it was known as a democratic state already in 1918. They also said the Council is ready to help Czechoslovakia elaborate its new constitutions. In this connection a great stress was put on the interest of preserving the integrity of the Czechoslovak state.

Catherine Lalumiere informed President Havel of her proposal to establish a European cultural forum at which prominent representatives of European cultures would meet annually. Vaclav Havel supported this idea.

The representatives of the Council of Europe were received today also by Czechoslovak Foreign Minister Jiri Dienstbier. On this occasion Minister Fernandez-Ordonez confirmed that Czechoslovakia can already now consider itself the Council's full member.

Foreign Ministry spokesman Egon Lansky said Francisco Fernandez-Ordonez is preparing an initiative to speed up Czechoslovakia's integration into the European Community.

Dealing with the situation in the Soviet Union, the Czechoslovak foreign minister said his country will recognize and respect only legitimately elected organs.

Dienstbier and Fernandez-Ordonez also discussed further relations between Czechoslovakia and Spain and other Spanish speaking countries.

The Council of Europe officials were also received by Czechoslovak Deputy Prime Minister Jozef Miklosko. The guests were interested in cultural life in Czechoslovakia and the possibility of joint projects. A bill on radio and TV transmissions was also on the agenda in connection with international conventions of the Council of Europe.

'Memorandum' on EC Assistance Signed in Prague*AU0502135891 Prague HOSPODARSKE NOVINY
in Czech 1 Feb 91 p 1*

["do"-signed report: "Help From Brussels on the Way"]

[Text] After several days of final discussions, a memorandum on the terms of EC assistance granted to Czechoslovakia within the framework of the PHARE [Economic Restructuring Aid for Poland and Hungary] program, which also comprises Poland and Hungary, was signed at the Federal Ministry of Economy in Prague yesterday. The assistance will be focused on the transformation of the Czechoslovak economy and on support for small and medium-sized businesses.

The memorandum stresses that privatization and restructuring are the central elements of transformation and that the EC's assistance will therefore be used primarily to extend institutional support to organizations steering this process. Because changing the structure of the labor market represents an inseparable part of the economic reform, the EC's assistance will also be used to finance retraining programs. Other sectors in which the EC assistance is to be used are ecology, the power industry, telecommunications, and education.

On the Czechoslovak side, the memorandum was signed by Z. Drabek, president of the Federal Agency for Foreign Investment operating under the Federal Ministry of Economy, and for the European Communities by Thomas Garvey, general director of the PHARE service, EC Commission.

Czech Official Views Pact, NATO Issues*LD0612193790 Prague Domestic Service in Czech
1730 GMT 6 Dec 90*

[Text] Today's plenary session of the Vienna disarmament talks of the 22 countries of the Warsaw Pact and NATO was addressed by (Miroslav Polrajt), head of the Czechoslovak delegation. Speaking about the changed role of the Warsaw Pact, he noted that in the past the pact had been an instrument of hegemony but currently it is undergoing a fundamental transformation.

Czechoslovakia, as a member of the community of European nations with equal rights, nowadays has an opportunity to lead policy corresponding to its own national interests. (Miroslav Polrajt) went on to say that

NATO had played a role as a stabilizing factor during the period when the Warsaw Pact was an instrument of superpower policy. However, NATO no longer faces an opponent in the form of Stalinist Russia. That is why in the Czechoslovak representative's view the regional argument in favor of keeping NATO in existence in its present form has disappeared.

Desire for Closer NATO Ties Expressed

LD0502140191 Prague CTK in English 1305 GMT
5 Feb 91

[Text] Prague Feb 5 (CTK)—Czechoslovak Foreign Minister Jiri Dienstbier and a NATO delegation agreed during their talks on the situation in Europe and the Soviet Union today that Europe cannot do without NATO at present.

They described NATO as the only guarantee of security and a future pillar of all-European security structures.

According to Foreign Ministry spokesman Egon Lansky, Czechoslovakia would like to have closer ties with NATO, namely in information exchanges and consultations of experts.

Both sides noted in this context that Czechoslovak President Vaclav Havel will address the NATO ministerial council session in March and Prague will host in April a conference on the future of European security in Prague sponsored by Jiri Dienstbier and NATO Secretary General Manfred Woerner.

The 18-member delegation, visiting Czechoslovakia at Dienstbier's invitation, said that the presence of a Czechoslovak decontamination unit in the multinational forces of the anti-Husayn coalition is highly appreciated in the world as a symbol of the initiative of a small country.

Havel Dismisses Reports of Government Crisis

AU0502135691 Prague MLADA FRONTA DNES
in Czech 26 Jan 91 pp 1,2

[Interview with President Vaclav Havel by Marcela Pechackova in Prague on 25 January: "An Insignificant Incident?"]

[Text] [Pechackova] How much importance do you attach to the report published by CTK yesterday that some Federal Assembly deputies are ready to express their lack of confidence in certain federal government ministers?

[Havel] Reports that a lack of confidence will be expressed in the government and that, in place of certain ministers, different ministers will be nominated are groundless. All those named as candidates for the new ministerial posts have denied this.

Minister Klaus visited me today and stressed several times that he considers the whole affair to be a provocation and that it is untrue. Nevertheless, this entire minor incident reveals the insufficiency of the current constitutional system and the current constitution, which does not take into consideration the large number of possibilities that can arise in a democratic society. For example, in our country it is possible that the Federal Assembly may express its confidence in the new federal government by expressing its confidence in the government's policy statement. However, on the very same day it can compel the president to dismiss three quarters of the ministers because the Federal Assembly may demand the dismissal of an individual minister and the president is obliged to dismiss him. This seems extremely nonsensical to me.

Let us imagine that indeed some conspiratorial government was established which would, without a doubt, receive the legislature's consent. I hope this is theoretical speculation. The president would then have to appoint this government. What if he did not do so? Of course, there would be another legislative crisis. There are countless versions similar to this; let us hope that none of them is adopted into the new constitution.

[Pechackova] Is this one of the reasons why you are demanding specific constitutional safeguards such as a constitutional court, a referendum, a state of emergency, and so on?

[Havel] Yes. My worry about the rules of the game in the event of constitutional or government crises have led me to this. The situation today is such that the legislature can be dissolved, the president can be recalled, lack of confidence can be expressed in the government, and there does not have to be anyone left capable of maintaining a continuity.

Rumors About Imminent Ouster of Calfa Noted

AU0502181391 Bratislava PRAVDA in Slovak
4 Feb 91 p 5

[Alena Borovickova commentary: "Smoke Without Fire?"]

[Text] Practically everyone has said it already: No "overthrow" of the government is planned, the present coalitions will not be reconstructed, everything is just a provocation designed to create tensions. I suppose that this is the first time that one did not refer to "old structures" and "dark forces" in this context. Since it is not they who generated this provocation, who did? Who is trying to rock the rickety boat of our society? I am using the present tense because, although everyone has already commented on the issue, the boat has not stopped wobbling and rumors about upcoming changes in the government continue to make the rounds—at least here, in Prague.

The rumor has it, for example, that the establishment of an Institute for Economic Legislation is in the making.

the chairmanship of which is reserved for [Federal Prime Minister] M. Calfa, LLD. Other seats are reserved for [Federal Deputy Prime Minister] P. Rychetsky, LLD., and [Federal Assembly Deputy Chairman] Professor Z. Jicinsky. The three men will supposedly be among the first victims of Civic Forum Chairman V. Klaus' crusade for the creation of a government without a prime minister, i.e. for a presidential system.

One also speaks here about growing turmoil in the Czechoslovak People's Party, which has supposedly received from the Castle the offer of a ministerial seat in the new federal government being prepared. President Vaclav Havel said that rumors about a part of the legislature wanting to pass a motion of no confidence in the government have not been confirmed. He considered it necessary to stress, however, that such a situation, and even a constitutional crisis, cannot be ruled out, which is why it is necessary, among other things, to extend presidential powers.

Deputy V. Benda, chairman of the Christian Democratic Party, denied that his party was organizing some sort of an antigovernment opposition. There exists nothing but cooperation and, at any rate, nothing dramatic or official is taking place in this phase.

There is much smoke but, for the time being, no flames have flared up. Yet it is hard to believe that it could be just smoke without a fire.

Pankin Interviewed on Deported Citizens, Baltics

*LD0502155191 Bratislava Domestic Service
in Slovak 1100 GMT 5 Feb 91*

[Interview with Soviet Ambassador to Czechoslovakia Boris Pankin by reporter Michal Michalcik; place and date not given—recorded; Pankin speaks in Russian with superimposed Slovak translation]

[Text] Our relations with the Soviet Union are at present going through a process of renewal. This fact has also been confirmed by the visit of Boris Pankin, the Soviet ambassador to Czechoslovakia, to Bratislava. Our editor Michal Michalcik has met him and he will, no doubt, confirm my claim:

[Michalcik] Without a doubt the most sensitive issue in the present Soviet-Slovak relations is the need to clarify the fate of our citizens deported against their will to Soviet labor camps. Father (Vendelin Javorka) was one of the 30,000 Slovaks who met with this cruel fate. At the personal request of Mr. Miklosko, the chairman of the Slovak legislature, Ambassador Pankin has done a great deal of work in this matter. He received more information yesterday about the Javorka case, and thus I have first of all shown my interest in this document.

[Pankin] Mr. Miklosko has asked me for further details and here they are: After the war, Javorka was sentenced to 10 years of forced labor—he was accused of spying for the Vatican, which he allegedly carried out on the

territory of the Soviet Union as a representative of the Greek Catholic Church. It is true that in 1941 he arrived in the Ukraine in Bukovina, however, not with spying intentions as it has eventually been confirmed by an investigating commission. Father Javorka has thus been rehabilitated. Both sides are interested in clarification of this problem—in the interest of justice and also in the interest of the efforts to rid our contacts of lies and half-truths, to fill the blank places in their history. A joint commission of experts should start clarifying case after case very soon.

[Michalcik] The ambassador explained this issue very openly and frankly, and it was obvious that he personally takes a great interest in it.

When I changed the subject and focused on the internal development in his country, however, suddenly a diplomat, weathered by seven years of duty in Sweden and other countries, stood in front of me.

[Pankin] The tragic events in Riga and Vilnius are not a result of President Gorbachev's policy. It was at the order of the commander of the military district—and investigations have already started against him. Special units have been withdrawn from both republics, the situation is normalizing.

[Michalcik] In reply to my next question whether there is possibly a threat of a military coup in the Soviet Union, Boris Pankin—laconically but without a blink—said that there has not been and there is not such a threat in our country; we have no experience with such traditions. All disputed issues have to be solved by peaceful means only. This is the stand of the president, of the Council of the Federation, and this has to be understood by Landsbergis and by the Lithuanian parliament. Only the path of agreements and compromises leads to success.

What about the various colonels—like the one in Lithuania—I asked, expressing more a concern than a question, will they realize this, too?

Diplomat Boris Pankin again reacted in a diplomatic way by saying that after the punishment of culprits in Lithuania, nothing similar should take place again. Let us hope so!

In connection with the war in the Persian Gulf, Mr. Pankin said that it would not influence the development in his country. If unconventional weapons are used—I reminded him of this extreme possibility—it would be terrible, but our politicians would keep cool heads, at least I believe that, Boris Pankin added.

He was also optimistic concerning our future cooperation. Our nations have realized that we have to live in peace and cooperate with each other. We are striving to rid ourselves of all that evil and vile which has been in our contacts, he said. But there was also enough of that which was good and good-neighborly, and we have to build our future partnership relations on that, Boris Pankin, Soviet ambassador to Prague told me.

Official 'Alarmed' by Situation in Army

LD0502115991 Prague CTK in English 1350 GMT
4 Feb 91

[Text] Warsaw Feb 4 (CTK correspondent)—Czechoslovak Deputy Interior Minister Jan Ruml said in an interview for the Polish daily "RZECZPOSPOLITA" published here today that he was alarmed by the situation in the Czechoslovak Army as generals who recently prepared actions against the society cannot be relied on.

He stated that it is naturally the concern of the defence minister what means he will use to exclude all danger arising from the possible development of the political situation in Czechoslovakia. "What alarms me is that nothing has changed in the Army except for the post of the defence minister," he said.

According to Jan Ruml, certain StB (Secret Police) collaborators still try to undermine democracy in Czechoslovakia, organize themselves, gather information, maintain contacts with the KGB and establish a new network. In a critical situation certain units of the former StB could destabilize the political situation with the help of the KGB.

Jan Ruml stressed that the presence of Soviet troops in Czechoslovakia, Poland, Hungary, and Germany is a destabilizing feature that must not be underestimated. He also opposed the transit of Soviet troops via Czechoslovakia. He said mobilization would be necessary if it were agreed that the Soviet troops will return to the USSR via the territory of Czechoslovakia.

Statement 'Inconsiderate'

LD0502120291 Prague CTK in English 1030 GMT
5 Feb 91

[Text] Prague Feb 5 (CTK) - Czechoslovak Deputy Interior Minister Jan Ruml said today his recent statement that practically nothing has changed in the Czechoslovak Army was inconsiderate.

In an interview for CTK he said: "I am not familiar with the situation in the Army to such an extent to be able to make such statements on it".

"My interview for the Polish daily published by CTK February 4 and carried by the Czech daily "OBČANSKÝ DENÍK" February 5 was based on what I know about the former military counterintelligence. This organ was for many years part of the Interior Ministry and its work practically did not differ from that of the state security. I am of the opinion that it should have never been transferred to the Defence Ministry (this was done in spring 1990) and its further existence should have been decided by the Federal Interior Ministry. The fact that former members of the StB (State Secret Police) became part of the structure of the Czechoslovak Army alarms me and that was also the reason for my statement", Ruml said.

Pithart Criticizes 'Agitated' Moravia

LD0502225191 Prague Domestic Service in Czech
1800 GMT 5 Feb 91

[Interview with Czech Prime Minister Petr Pithart by unidentified reporter; place and date not given—live or recorded: "A Meeting With the Prime Minister of the Czech Government"]

[Text] [Reporter] At our last meeting, the Czech prime minister said the government will stay for as long in [name indistinct] until it solves the problems of Moravia.

[Pithart] The Czech government did not need to solve the issue of Moravia. Its aim was more to make its stand on the Moravian issue more precise, and I hope that we succeeded in this. We were ready in the afternoon with the passages concerning Moravia, which we will deliver on Wednesday in the Czech National Council, in the interim report, which will be delivered approximately half a year after the policy statement of the government. I would like to say that the agitated Moravian public is wrong to address its rebukes to the government. I understand that the constitution is not amusing reading, but people who are so committed to public affairs that they are willing to spend part of their weekend demonstrating in a square should know that the Czech government on its own can do only very little. For example, we could set up land administration as a higher administrative authority, as an administrative authority between district authorities and ministries. That is all. I am convinced that the Moravian general public would not accept this with satisfaction because it would say that this is again only an extended hand of the government. I think that the Moravian public wants to see a self-administering element in the land organized. This is naturally something that can be decided upon only by the Czech parliament, the Czech National Council, and the question is whether this is to be dealt with only in connection with the new constitution or before that. We are ready to cooperate in both these cases, but the decision is not in our hands. The Czech National Council reserved for itself about six months ago the settlement of the land setup. We can offer our legislative experts, but the parliament will make the final decision.

[Reporter] Yet, I think the Czech government will present to the Czech parliament a proposal on the topic.

[Pithart] Yes. We will say that we are for the land arrangement in a self-administrative form, and we will also say that we see a federate setup as possible, which is obviously the maximizing demand of the Moravians. But, it is not only maximizing, and I would not be glad if it was only a demand of the Moravians.

We think that a tripartite setup of the whole state would be more advantageous for a number of reasons. Listeners will remember long, tiring, and often agitating talks on power division. It was so complicated because only two sides were concerned. The talks of two partners are difficult. When there are only two partners, voting is

impossible; one can only break the other. The situation is quite different when there are three partners. This is, however, something which goes beyond even the powers of the Czech National Council. This would naturally have to be discussed with the Slovak political representation, which so far is very reticent on this idea. In its eyes, putting Slovakia and Moravia on the same level would mean a degradation for Slovakia. I do not think so. Slovakia would continue to be a state-forming subject. It could continue to call itself a republic and, should Slovaks wish, it would apply that this subject is constituted on the national basis, and this could hardly be said about the Moravian land and the Czech land.

[Reporter] Let us go back to Moravia. A very bitter rebuke to the Czech government could be heard there: Who is actually the legitimate representative of the nation, a citizen out in a square voicing his demands or the deputies of the Czech National Council?

[Pithart] I think we have to call it by its correct name. In the West, it is called extraparlimentary opposition, but, de facto, it means antiparlimentary opposition. It is not because people in the squares were critical of the government or the parliament. This is not what makes it an extraparlimentary matter.

What makes it an extraparlimentary matter is the fact that doubt is being thrown on the legitimacy of the parliament and, consequently, the legitimacy of the government, although the parliament is formed by the deputies chosen by the people in those squares. I presume, or by the people who did not go to the squares but must be considered anyhow. In the squares, lack of confidence was voiced even to the deputies of the Moravian Party, the Movement for Self-Administering Democracy, the Society for Moravia and Silesia. I must say this is not the thing to do. If the elections had a different outcome than the one I wanted them to have, I cannot, therefore, claim that they are invalid. The only thing I can do is to wait for new elections. It is as though I were losing a game of chess, and I swept the chess men from the table in anger. The rules apply until the game is over, that is, until the end of the election period. It is quite a dangerous feature for democracy, and I insist that it is to be called by its correct name.

[Reporter] Arguments are being presented quoting the budget per inhabitant, that is, economic exploitation of Moravia. We know this argument: We are worse off for them. This slogan appeared also in the case of the Czech-Slovak and Slovak-Czech controversy.

[Pithart] Yes, and I think that then all Czechs, Moravians, and Silesians did not like the Slovak argument, and now we hear it much nearer to Prague.

Such slogans on exploitation and on who is subsidizing whom are naturally easy to shout, but I am convinced that this is very difficult to prove, or rather, I am convinced that it is impossible to prove. We in the Czech National Council will present very detailed accounts. We will show that the indicator according to the number of

inhabitants is only one of many possible ones, and like the majority of others, this is an imprecise indicator. Only the market economy and the value added tax will be a reliable indicator of where and what kind of wealth is being created.

Then, of course, there will be another problem we cannot avoid once again. Even then, there will be richer and poorer communities and towns, and often this will depend on circumstances which are not the fault of those communities or towns. It will simply be given by objective, perhaps natural conditions, and even then, and precisely then, the government and naturally parliament will, by means of the budget, attempt to even out those differences which were not caused in some way. This means that even then there could be people saying that they are subsidizing somebody. The budget exists precisely to even out those differences that were not caused within social services. The budget will always do this; even in a market economy, it will always have the function of leveling out.

[Reporter] So, these are the questions to be discussed in the Czech National Council from Wednesday. Mr. Prime Minister, thank you for the interview.

No Fighter Aircraft To Be Deployed at Air Base *AU0502123691*

[Editorial Report] Prague SVOBODNE SLOVO in Czech on 2 February on page 3, under the headline "Will We Abolish the Air Force?" carries an 800-word transcript of a meeting held in Prague on 30 January between CSFR Defense Minister Lubos Dobrovsky and representatives from communities near Mosnov Air Base in North Moravia. The meeting was convened to discuss the future of the military air base which local residents object to because of the unacceptable noise level.

No compromise acceptable to both sides was reached at the meeting and Defense Minister Dobrovsky made the following statement in conclusion: "It is necessary to respect the political and social reality presented here. If the public is unwilling to put up with the Air Force's presence despite arguments that in some cases were very convincing—first and foremost, political arguments—then we have no other choice but to resolve the issue of the state's defense without the Air Force's presence at Mosnov Airport. It upsets me that some of the public is a little bit too sensitive about the dangers. Perhaps it seems to them that, at the moment, the Army is an unnecessary luxury and that it is not worth putting up with certain unfavorable consequences of a military presence."

Prague HOSPODARSKE NOVINY in Czech on 1 February on pages 1 and 2, under the headline "The Military Doctrine Has Been Delayed," carries an 1,100-word "(HA)" and "(JOP)"-signed report on proceedings at the 13th joint Federal Assembly session. Following his outline of the draft military doctrine, Defense Minister Dobrovsky informed deputies that "his talks with

Ostrava political representatives ended in the decision not to deploy fighter aircraft in Mosnov, although this means that the state's security will be gravely threatened because there will now be no air base for fighter aircraft in Moravia."

Havel Proposed as Leader of Civic Forum

AU0602085991 Prague MLADA FRONTA DNES
in Czech 31 Jan 91, p 1,2

[Interview with Daniel Kroupa, chairman of the Interparliamentary Club of the Democratic Right, by Jiri Leschtina and Petr Sabata on 30 January; place not given: "D. Kroupa Proposes V. Havel for the Leadership of the Civic Forum"; first paragraph is MLADA FRONTA DNES introduction]

[Text] The ideological alienation within individual factions of the Civic Forum is becoming more and more intense. In particular, after the recent attempt to accuse the rightist Civic Forum deputies of preparing a government "putsch", both camps are watching one another with increasing mistrust. But what about the future of the Civic Forum? How should the disputes about the Civic Forum's symbol be avoided? Who, in fact, is entitled to use it? Those are the questions that we asked Daniel Kroupa, chairman of the Interparliamentary Club of the Democratic Right and member of the Civic Democratic Alliance yesterday:

[Kroupa] At the next Civic Forum assembly, the Civic Democratic Alliance intends to present a proposal on organizing the Civic Forum in a new manner. The issue concerns what to do with the Civic Forum's symbol and name so that some adventurous group can not seize them and misuse them in the future. We are of the opinion that the Civic Forum should be transformed into a moral and educational institution that will not intervene in politics, but will organize lectures, for example, and will become a place where politicians from various democratic parties will meet. This institution should be managed by some kind of council composed of Civic Forum's original founders, that is, from people who do not intend to actively participate in political life. Our idea is that President Vaclav Havel, as a moral authority, should head this council once again, which would guarantee that both the symbol and the name will not be misused but that they will become a sort of living monument to the November revolution.

[MLADA FRONTA DNES] The newly established party under the leadership of Chairman Klaus should, in your opinion, go its own way—under its own name and political responsibility?

[Kroupa] Yes, this is exactly what we think.

[MLADA FRONTA DNES] We assume that the same thing should apply to any left-wing oriented party that might possibly be established on the soil of the Civic Forum in the future.

[Kroupa] Identical rules apply for leftist- and rightist-oriented parties, of course. However, the left wing—I mean the noncommunist left wing—is in a slightly more complicated situation and is searching with difficulty for its place on the contemporary political scene. This is why we would like to see in the existing Civic Forum Liberal Club a future political partner. We are not interested in weakening this club or in attacking it in any way. Even more so since the socialist stream of ideological thinking is collapsing at its very ideological foundations and has no future. It is necessary to establish a liberal left wing.

[MLADA FRONTA DNES] The Civic Democratic Alliance is also a part of the Civic Forum. What will the attitude of the rightist party, the Civic Democratic Alliance, be toward the rightist party of Vaclav Klaus?

[Kroupa] At the last Civic Forum assembly the delegates voted for the transformation of the movement into a political party with individual exclusive membership. It clearly ensues from this that the Civic Democratic Alliance is outside the Civic Forum. However, our goal has always been to contribute to the establishment of a strong democratic right wing. If the party established from the Civic Forum is oriented in this direction, then we intend to cooperate with it as closely as possible, and we want to press for a coalition or for some form of unification in the future.

VPN Leader on Possible Replacement by Meciar

AU0602100991 Prague MLADA FRONTA DNES
in Czech 1 Feb 91 p 3

[Interview with Fedor Gal, chairman of the Slovak Council of the Public Against Violence (VPN) movement, by Jindrich Filo; place and date not given: "We Are Not Lukewarm"]

[Excerpts] [Passage omitted] [Filo] Will you run again for the post of chairman at the VPN assembly scheduled for 23 and 24 February? They say that Vladimir Meciar will take over the reins from you to enhance the VPN's prestige.

[Gal] I have been saying in every interview since last February that I am in politics only temporarily. I am a sociologist and forecaster and this work is now more interesting than it has ever been. Why do I still sit here? I am attracted to politics by strong motivation, which keeps insinuating to me that I must be where the action is. Had I not been convinced that I am useful in my present job, I would have quit long ago. The faith of those who believe that by becoming VPN chairman, in addition to being prime minister, it will be easier for Vladimir Meciar to deal with all-social problems is not unfounded. We could, however, also bear witness to the exact opposite! Having one person perform two important functions in these hectic times is something else than when, in an established democracy, the chief of the victorious political party automatically becomes prime minister. Mr. Meciar himself told me that he has got enough to do and does not covet this post. Should,

however, a very strong call be made at the VPN assembly for him to become the movement's chairman, it will be necessary to react. Of course, at this moment I will not tell you how.

[Filo] Are there chauvinists in Slovakia?

[Gal] I will tell you that there are few pure chauvinists, not only here but also in the Czech Republic. But do you know what the difference between Czech and Slovak chauvinism is? The Slovak variety is very noisy and inefficient, while the Czech variety is quiet and efficient. Slovak chauvinists keep screaming and Slovakia is losing points, not only in the Czech lands but also in the world. This does not lead anywhere and deprives Slovakia, for example, of commercial partners. Czech chauvinists, on the other hand, are not very visible. I have not yet heard of any demonstration where people would chant "Down With Slovakia." Yet no one sees that there exists an efficient and quiet method of writing off, slowly, Slovakia's interests. This concerns, for example, research fellowships abroad, all kinds of study programs, etc. [passage omitted]

Meciar Interviewed on Prices, Policies

LD0502182191 Bratislava Domestic Service
in Slovak 1100 GMT 5 Feb 91

[Interview with Slovak Prime Minister Vladimir Meciar by Magda Pospisilova on 5 February; place not given—recorded]

[Text] On Tuesday the Slovak government traditionally holds sessions—but the usual press meeting was a bit earlier today, because some government members had to leave to welcome Bulgarian President Zhelev. Prime Minister Meciar, however, could not escape the flood of questions from journalists. Radio Journal was represented by editor Magda Pospisilova.

[Pospisilova] Mr. Prime Minister, there are more and more protests from people who do not own their own homes about the high amounts that building cooperatives are demanding for housing. What can they expect from the Slovak Government? How will it help them in this difficult situation?

[Meciar] Rents have until now been regulated by rules that have not been abolished—thus a transition to complete freedom in setting rents is not possible. If sides mutually agree, then this is their business, but if not, then they have to observe generally valid rules. I think that there is in general a great dishonesty in setting prices in Slovakia—also in the sphere of foodstuffs, where price rules have been broken. We have been talking about this, and said that it would be necessary to introduce discipline and control and to make all those who exceed prices above the framework allowed by the rules accountable.

[Pospisilova] Communities have been waiting for a long time for the debated draft on communities' property. As I have learned, you withdrew it from the agenda yet again today.

[Meciar] It has been submitted, but there have been so many recommendations to it that all ministries have to examine the entire issue again. It will have to be returned to later. The disputed issues are: who will schools belong to; and what will the situation be with building plots—in communities some of them are state property and are given to citizens for use only, and some basically do not belong to anybody because there are shortcomings in land registry. Issues concerning the sphere of privatization are also being disputed, because if a very broad interpretation of communities' property should be passed, along with the possible manipulation which could then follow, then small privatization of many enterprises would end by communities declaring them as their own—and that would be the end of the matter.

[Pospisilova] You are going to Hungary and Yugoslavia. Yesterday, a spokesman for the Hungarian Ministry of Foreign Affairs was quite optimistic that there would be a fundamental change in Hungarian-Slovak relations. Do you expect any fundamental stands on their part on the decision of the Slovak government concerning the question of the Gabčíkovo [water project]

[Meciar] The change is that this is the first visit of a delegation of the Slovak Republic—representing both the legislature and the government—to Hungary. The change can be seen in the fact that we will be resolving the issue, whether we want to cooperate or mock each other, to put it mildly. Concerning the Gabčíkovo, we assume that we will agree on our approach for the future. However, a decision on such an important issue will not be made in the course of this visit. We will explain our stand, and I think that after that our partner will view things in a somewhat different way.

[Pospisilova] Mr. Lansky, a spokesman for the Federal Ministry of Foreign Affairs, conveyed yesterday its stand on your criticism of that ministry after your trip to Germany. This is somewhat confusing for the public. What, in fact, did happen?

[Meciar] I went to the east borders, and I was critical of the Federal Ministry of the Interior; I made some comments addressed to the Federal Ministry of Defense, and I was critical of the Ministry of Foreign Affairs. All of them have claimed that I was poorly briefed. What is this? Am I not allowed to believe my own eyes, or what? Do I have to believe what officials say? Concerning the extent of services provided (?by) the German Republic (?for) the visit of the Slovak delegation, from the point of view of the Ministry of Foreign Affairs this was poor. They can tell this to the public, but they cannot tell me, because I was there and I know how the preparations went, and I know what each politician is to have at his disposal for the visit, how the preparation is to be carried out, and I know what the Ministry of Foreign Affairs was

doing. Let it admit its own faults, and stop confusing the public! This is also true about some other things.

Pittner Remarks on StB Agents in Security Forces

AU0502134291 Bratislava SMENA in Slovak
31 Jan 91 p 3

[Interview with Slovak Republic Interior Minister Ladislav Pittner by Katarina Fornerova; place and date not given: "His Majesty—The Citizen"]

[Excerpts] [Passage omitted] [Fornerova] I have the feeling that your department is losing experts. Many Ministry of Interior employees who were cleared by professional screening commissions were disqualified by civic commissions. Screened teachers at the former Advanced School of the National Security Corps still do not teach. And now you are about to reorganize the ministry's public relations department, although we, journalists—and I speak for a number of journalists writing for the daily press—are satisfied with the work of its press group. The ministry needs experts, or am I mistaken?

[Pittner] As for the State Security Corps [StB], I am opposed in principle to those members of the StB continuing to work here who were involved in the struggle against the internal enemy—regardless of whether they passed the screenings or not. As for the other StB members, we cannot be interested in them because the Ministry of Interior has neither an intelligence service nor a counterintelligence service. It is something else when they want to move over to the Public Security Corps [VB]—provided that they did not work in the section for combating the internal enemy. Such former StB members can be hired and we have actually hired many of them already.

People who were dismissed from the VB under the former regime for political reasons, who meet the criteria for members of the security forces, and who are interested in working here have an open door, so to speak. After all, we need about 4,000 members per 100,000 CSFR citizens. But there were other cases as well—many people were dismissed from the VB for drunkenness, for taking bribes, for nonfulfillment of duties.... There is no reason for us to rehabilitate them.

[Fornerova] The issue of the former StB's activity has been raised anew in recent weeks, especially in connection with the demand that members of the legislature and government be screened [for possible collaboration with the StB]. What is your personal opinion on this problem? [In your previous job] as the deputy director of the Federal Office for the Protection of the Constitution and Democracy, you were in a better position than anyone else to look "under the covers" of the former StB....

[Pittner] I am convinced that we must differentiate. Even in the former StB there were members who worked in the interest of our state, albeit their motives were political. They were protecting the economy against

disruptive influences from abroad, against industrial espionage and acts of subversion. This is why we must differentiate between those who served in the section involved in struggle against Western intelligence services and those who suppressed any expression of free will or civil rights. After all, one must have the stomach for that. There is no place in our society for those who had it, because they are deformed in some way.

[Fornerova] And what about screenings themselves, are you in favor of them?

[Pittner] While I worked as deputy director of the federal service [for the protection of the constitution and democracy], we thought about ways of protecting these people because not everyone was in the StB for reasons of money and career. Many people got involved there without knowing how or, what is worse, as a result of blackmail. [passage omitted] It would pose a general threat to society if people who were linked with the StB—be it as secret collaborators or as informers—remained in important social positions. It would be impossible to rule out the possibility of them being blackmailed—not only against our political interests but also by foreign intelligence services.

I disagree with making these things public. It could have unforeseeable consequences because secret collaborators were often recruited from among the circle of closest relatives or friends of a person in which the StB was interested. In other words, it would result in many tragedies.

[Fornerova] Stanislav Devaty, deputy to the Federal Assembly, recently said that the StB network is alive and working....

[Pittner] I am unable to confirm this. There exist certain indications, however, that former StB collaborators are being blackmailed and misused—be it by foreign intelligence services or through former StB members who are now in various civilian professions. In other words, this seems to be quite realistic.

[Fornerova] Do you agree with the opinion of the director of the Office for the Protection of the Constitution and Democracy, which has just been renamed the Federal Information Service, that there should be no one from the former StB network and not a single graduate of the KGB Academy in the intelligence service? Do you think that it is possible to start building an intelligence network with completely new people?

[Pittner] I believe that you have interpreted Mr. Novotny's words falsely (the quotation is accurate—editor's note) because we used to discuss these matters at length while he was department head at the Federal Office for the Protection of the Constitution and Democracy. My personal opinion is that positions of leadership should not be held by former StB members but by new people—especially regarding the head office and key positions. But I cannot imagine the execution of duties without them, at least for some time until new people

have been trained. As a matter of fact, this is how all regimes that went through a revolution proceeded: for a period of time they made use of the abilities of former members of the police who had not discredited themselves. They should really be there only temporarily, however. [passage omitted]

SNS Deputy Sets Up New Nationalist Party

*AU0502192891 Bratislava PRAVDA in Slovak
31 Jan 91 p 2*

[Interview with Stanislav Panis, deputy to the Federal Assembly for the Slovak National Party, by Alena Ruzkova in Prague on 30 January: "Deputy Panis Is Leaving"; opening paragraph is PRAVDA introduction]

[Text] "I have written a letter to the leadership of the Slovak National Party [SNS] today in which I announce that I am leaving the party," Stanislav Panis, deputy to the Chamber of Nations for the SNS, told us during yesterday's meeting of the Federal Assembly. We asked him what made him take this step.

[Panis] The SNS, which was to defend the interests of the Slovak nation after the local elections and to operate as a parliamentary opposition in the Federal Assembly and the Slovak National Council, has lost the ability to act because of the continuous power struggle in the party leadership. This is confirmed, among other things, by the feeble support it has given to the Slovak National Heritage Foundation during the drafting of the language law. The SNS should have been much more forceful in rejecting the law on division of powers or the participation by our unit in the Persian Gulf. The SNS is not an opposition party today and we, deputies for the SNS, vote just on our own behalf, guided by our national feelings.

Moreover, we virtually "fell through" in the local elections. In many villages our party did not work at all, owing to the party leadership's inconsistent work. It is apparent that after the legislative elections, the party leadership rested on its laurels and started to engage in behind-closed-doors politics. The SNS leadership should, in my opinion, include activists working in the field, just like in a party that is only taking shape.

[Ruzkova] What will happen next? Will you become an independent deputy, or will you join another party?

[Panis] Slovakia has recently seen the birth of more and more new parties, and we have been increasingly asked at rallies about the reasons for this. Voices calling for unity are starting to be heard. The Party of Slovak Unity [Strana slovenskej jednoty] has now been established, which associates all sympathizers having strong national feelings. Its members, including myself, are going around Slovakia in the spirit of Ludovit Stur's, Janko Kral's, and Andrej Hlinka's legacy. Our primary aim is the creation of an independent Slovak state. Our program contains also a strong social element—"first, a citizen of Slovakia must have bread to eat, then the children of our children

must have a coat to wear, and only then can we present ourselves to the outside world." We have been financing everything on our own thus far because we do not want to depend on state subsidies.

[Ruzkova] Thank you for the interview.

[Bratislava PRAVDA in Slovak on 29 January on page 2 carries a 200-word "ao"-signed report entitled "Unity Against War." The report deals with a rally staged by "a new political force—the Slovak National Unity" in Slovak National Uprising Square in Bratislava on 28 January, at which it "introduced itself" to the people of Bratislava. Deputies Stanislav Panis and Eliska Zalezakova reportedly "condemned" President Havel's decision to send a Czechoslovak chemical warfare unit to the Gulf and "stressed that they are opposed to any war and form of violence, including Israel's systematic persecution of the people of Palestine." According to the PRAVDA reporter, the speeches were marked by a "sharp anti-Czech and anti-Hungarian spirit" and the slogan "Down with Havel!" alternated with its "amended version," the slogan "Long live the last Czechoslovak president!"]

Moravian Deputy Perinca Assaulted in Brno

*AU0602090491 Prague SVOBODNE SLOVO in Czech
7 Feb 91, p 1*

[Unattributed report: "Assault on a Deputy"]

[Text] "You are a traitor to Moravia!," were the words that four unknown men uttered when assaulting F. Perinca, Federal Assembly deputy representing the Movement for Self-Governing Democracy-Society for Moravia and Silesia [HSD-SMS]. As he stated in a CTK interview, this happened in Brno yesterday morning after he left home. The assaulters beat up Mr. Pernica and injured his leg and arm. After that, he managed to escape. However, he did not ask for police assistance. Deputy Pernica thinks this attack is another manifestation of the radical mood prevailing among the supporters of the land arrangement [zemske zrizeni] in Moravia. He represents a group of 11 HSD-SMS deputies who are of the opinion that it is not suitable at the moment to push for a land arrangement.

Report on Education in Ethnically Mixed Areas

*AU0402101091 Bratislava NARODNA OBRODA
in Slovak 29 Jan 91 p 6*

["ca"-signed report: "Education in the Ethnically Mixed Territory; We Honor Our Obligations"]

[Text] Internationally honored documents declaring human rights also include the right of citizens to education in their native tongue and the right to instruction of their native tongue. The existence of schools with instruction in languages other than Slovak or, as the case

may be, schools or classes with instruction of ethnic minority languages, is proof that we honor our obligations.

We studied the extensive report on the state of Slovak education in the ethnically mixed regions submitted at the Slovak Republic Government session by Jan Pisut, minister of education, youth, and sports of the Slovak Republic. We offer to NARODNA OBRODA readers at least some information from this undoubtedly interesting analysis.

Kindergartens

In the Slovak-Hungarian ethnically mixed regions, approximately 75,000 children attend the 1,278 kindergartens with instruction in Slovak. Almost 15,000 children attend the 345 kindergartens with instruction in Hungarian. Some of the children of Slovak or mixed families go to the Hungarian kindergartens and vice versa. In most cases, this is based on a parental decision. In some cases, however, the cause was that in the given location or community, no school exists with the required language of instruction. Problems also arise when the number of children registered for instruction in Slovak or Hungarian does not suffice for opening a school or a class.

Grammar Schools

There are 708 Slovak elementary schools with 9,442 classes and 243,587 pupils in the territory of the Slovak-Hungarian ethnically mixed districts. The 2,071 Hungarian classes, housed at the 257 separate Hungarian elementary schools and nine elementary schools under a composite administration, are attended by 48,405 pupils. As in the kindergartens, some of the elementary school pupils of Slovak nationality are enrolled in classes with instruction in Hungarian and vice versa. It is involuntary in those ethnically mixed communities, which only have schools with one language of instruction. In the 11 districts that supplied this information, there are 68 communities with only a Slovak school, and 113 communities have only Hungarian schools.

There are more Slovak schools with two-shift instruction (4.3 percent as compared to 1.2 percent in Hungarian schools); the Slovak classes are also usually attended by more pupils.

High Schools

The conditions for high-school studies in the ethnically mixed territory—from the point of view of the distribution, nature, and type of high schools, their orientation and specialization—approximately equal those in other parts of Slovakia. There are 246 high schools here, and 185 of them have only Slovak classes, 40 have both Slovak and Hungarian, and 21 have only Hungarian classes.

The general high school network, or rather the number of classes available with instruction in Slovak and Hungarian, provides the graduates of both Slovak and Hungarian elementary schools with an opportunity to continue their studies in the language of instruction of the elementary school they attended. The average size of a Slovak class (33.7 student class) is substantially higher than the average of Hungarian classes (27.6).

The specialized high school network contains 63 schools in the ethnically mixed territory. Of them, 45 have Slovak classes only, 15 have both Hungarian and Slovak classes, and three schools have Hungarian classes only. The conditions are the same for the Slovak and for the Hungarian students—the specialized high schools (with three exceptions) have a common administration. (As a rule, the same teachers instruct in all of them—particularly the specialized subjects—and all the school equipment is used by either department)

A complicated situation exists in the access to education in the native language at the vocational high school [apprenticeship combined with senior matriculation program]. There are 124 schools, 99 of them have only Slovak classes, 17 have both Hungarian and Slovak classes, and eight have only Hungarian classes. The number of students of Hungarian nationality who study in their native tongue is proportionally far behind that of pupils at the elementary schools or at the other high schools.

The Instruction Standard of the Slovak Language

The standard of the Slovak language instruction at schools with the Hungarian language of tuition is unsatisfactory. Therefore, it is necessary to immediately draft a modern communication-oriented concept of instruction. Of course, this means to provide a new content, structure, and particularly to increase the qualitative requirements on the work of Slovak instructors. As of the second half of 1991, a new system of teacher certification examinations is to be implemented. An important element of the language certification examinations will be knowledge and skill in communication.

The Situation in the East

There are 397 elementary schools in the six districts of the ethnically mixed territory in eastern Slovakia in which the population is Slovak and Ruthenian-Ukrainian. The language of instruction is Slovak at 380 of the schools and Ukrainian at the remaining 17. The system of instruction at the schools with instruction in Ukrainian does not preclude education in the Slovak language. All general and specialized high schools have classes in Slovak, and some of them have concurrent classes in Ukrainian. The Ukrainian language is used only in the instruction of social science and similar subjects, and most often, Ukrainian is the subject of instruction. At all vocational high schools, Slovak is the language of instruction.

Also on the agenda of the Slovak Republic Government session was a proposal of the principles for setting up and running schools in the ethnically mixed territory. The purpose of these principles is to help in dealing with the demands by citizens of Slovak, Ruthenian-Ukrainian, Hungarian, and, as the case may be, other nationalities and ethnic minorities concerning education in their respective native languages, or of their native languages.

According to the law on state administration in education and school self-administration, these powers are transferred to schools and educational institutions of the administration. It is expected, however, that some of them (decisions on the language of tuition in local kindergartens, assigning children to kindergartens, and more) would be executed by the school administration in cooperation with the local self-administration.

USSR To Be Asked To Buy Back Scuds, Frogs

LD0402143991 Budapest MTI in English 1345 GMT
4 Feb 91

[Text] Budapest, February 4, 1991 (MTI-ECONews)—The chief of staff of the Hungarian Army, Lieutenant-General Laszlo Borsits, has said that the Hungarians are looking to the Soviet Union to buy back the Hungary's Scud and Frog missiles. The Army is now withdrawing its 24 300-km-range Scud and 107 80 km-range Frog-7 missiles, under a unilateral decision taken last year.

If the Soviet Union does not want the missiles, the Defence Ministry has said it will offer them to a Hungarian arms dealer to sell them abroad.

Under Hungarian law, weapons cannot be sold to warring countries, and since the missiles are Soviet-made, the consent of the Soviet Union will also probably be needed for them to be sold to a third country.

If a buyer cannot be found, the missiles will have to be destroyed, an operation best carried out in conjunction with other countries which have Scuds and Frogs, the chief of staff said.

Reaction to SFRY Arms Affair Continues

VMDK Stresses Need for Investigation

AU0502095091 Budapest NEPSZAVA in Hungarian
2 Feb 91 p 4

[Report by Kocsi: "A Quick Investigation Is in Everybody's Interest"]

[Text] A quick investigation into the arms sale to Yugoslavia is in everyone's fundamental interest. That was one of the things stressed yesterday by Andras Agoston, chairman of the Democratic Union of Vojvodina Hungarians [VMDK], in his telephone interview to NEPSZAVA.

The 385,000 Hungarians living in Vojvodina have been particularly affected by the fact that Hungary has also been suspected in this affair, and by the fact that Belgrade still levels serious accusations at Hungary, despite official denials from Budapest.

Therefore, as Agoston pointed out, at its Sunday meeting, the VMDK will ask the Hungarian Government and National Assembly to examine and clarify this affair. Either they should prove quite clearly that Hungary is innocent, or, if that is not the case, then they should admit that Hungary really did sell arms to Croatia. According to the VMDK chairman, the setting up of a neutral international committee would help us see things quite clearly; such a committee could help us present convincing evidence, and thus, no one would have the possibility of maneuvering in this confusion.

We asked Agoston whether the accusations leveled at Hungary could be true, but the VMDK was unable to give a clear answer. On the basis of the film shown on Belgrade and Zagreb television, and on the basis of press reports, one cannot stand with a clear conscience on either Croatia's, Serbia's, or Hungary's side.

Therefore, the VMDK chairman stressed once again that a quick factual investigation was very important. Such an investigation would best serve the interests of Hungarians in Vojvodina. Agoston said that he was convinced that the investigation would also serve the interests of Croatia, Serbia, the whole of Yugoslavia, as well as Hungary. If there is no quick investigation, then Hungarians in Vojvodina will have to expect their difficult situation to deteriorate even further.

Croatian Official Interviewed

LD0502101591 Budapest Domestic Service
in Hungarian 1700 GMT 4 Feb 91

[Report on telephone interview with unidentified official from the Croatian Prime Minister's office by Peter Nyaradi; place and date not given—recorded, in Croatian with superimposed translation into Hungarian]

[Text] [Nyaradi] I have asked an employee of the Croatian prime minister's office why Croatia bought arms in Hungary.

[Official] Croatia buys arms wherever possible. We buy arms via commercial enterprises to arm the regular and reserve police units of the Croatian Republic.

[Nyaradi] In reply to my question as to why it was impossible to know anything about this business earlier and why it became so exciting, the official said the following:

[Official] This arms sales affair was not particularly a secret at all. Croatia asked the Yugoslav federal officials, who are all in Serbia, three month ago to buy arms for the Croatian police. We have actually ordered this; however, the reply was that this demand could only be fulfilled at the end of 1991 at the earliest. This is when the Croatian government turned to the commercial arms trading firms and bought weapons abroad. No one has ever denied this, this is clear. Eventually, we bought arms where we could.

[Nyaradi] It is not clear to me what Serbia's objection is, because, if I understand correctly, Croatia, as an autonomous republic, has a right to buy arms.

[Official] This is our opinion, too. After all, if we have a defense ministry of our own, and no one objects to that, just as nobody objects to our own interior ministry forces, it is clear that they also have the right to obtain arms. This is even more so because in Croatia the Federal Army closed down the weapon depots of the former Titoist territorial defense units, which was a kind of people's army assembled in case of an emergency. In the meantime, of course, thefts of arms have occurred

more than once. Moreover, there are innumerable weapons in the possession of the Serbs living here, while the regular Croatian police was unable to obtain a supply.

Foreign Minister Comments

LD0502113491 Budapest MTI in English 1025 GMT
5 Feb 91

[Text] Budapest, February 5 (MTI)—The Hungarian foreign minister has furnished MAGYAR HIRLAP with such details concerning the arms delivery to Croatia by a Hungarian firm as to throw new light upon the deal.

According to the information carried in the Tuesday issue of the paper, the arms were sold in keeping with the norms of international trade and international law. The Hungarian Government, however, is not engaged in the arms trade. The government does not necessarily know, nor does it need to know that an authorized firm is engaged in such activities within the framework of the laid down legal specifications.

If a foreign country casts doubt on the Hungarian Government's good intentions concerning this deal, an investigation must follow. However, the Hungarian firm concerned delivered arms to Croatia on the order of a third country. This explains what were considered the government's belated and contradictory statements: it is not a simple task to investigate that the weapons ordered from Hungary by country X on behalf of country Y have gone to Croatia.

The film shot by Belgrade television on the affair is fabricated material compiled in an unfortunate manner, contrary to the two countries, declared intention of maintaining good-neighbourly relations. Foreign Minister Jeszenszky considered the tone and method so grave that he immediately protested in a note.

A very important factor has been lost in the whole arms deal: no matter how it received the arms, Croatia is a sovereign republic with a sovereign, democratically elected parliament. If someone was to have protested against the arms delivery, it should have come from Croatia. If Croatia requires arms, this is a Croatian affair, rather than that of Belgrade television.

It is nonetheless significant, and perhaps the most important element of the affair, that entirely independently of Hungary, a rather difficult internal situation has emerged in Yugoslavia. While some republics have made large strides toward establishing the western democratic process within their territories, it is still evident that the, forces loyal to socialism, are strongly in evidence in Yugoslavia as a whole.

The affair seems to show that efforts are being made to find external explanations for the internal problems of a country on the one hand, and a pretext for rapidly settling those internal problems on the other.

Foreign Minister on Arms Sale to Yugoslavia

AU0502123491 Budapest MAGYAR HIRLAP
in Hungarian 4 Feb 91 p 1

[Report on interview with Foreign Affairs Minister Geza Jeszenszky by Szalay; place and date not given: "We Did Deliver Weapons"]

[Text] Following denials on several counts, on 2 February, the Hungarian Government admitted that Hungary had delivered arms to Croatia in October 1990. Our reporter asked Geza Jeszenszky in what way this measure affected Hungarians living in Vojvodina. According to other sources, Hungarian Prime Minister Jozsef Antall is planning a visit to Belgrade.

We asked Foreign Affairs Minister Geza Jeszenszky whether the Hungarian Government felt responsible for the fact that Hungarians in Vojvodina now believe that they have been forced into a tight corner.

Jeszenszky replied: "I do not know if they are justified in feeling that they have been forced into a tight corner. The Yugoslav Government has always stressed that SFRY-Hungarian relations do not affect the national minority issue. The Yugoslav Ambassador to Hungary has emphasized this several times; at our last meeting he repeated this viewpoint to me.

"Some people make this affair seem like a major issue, but we should not make such a big thing out of it. Clearly, this affair is being used by those who disapprove of the democratic changes that are taking place in the SFRY. At this point, I would like to refer to a statement made in BORBA on 31 January; according to BORBA, a letter was read aloud in all military units on 24 January, stating that although socialism had been dealt a blow, socialist forces had not suffered a worldwide defeat, and that the antisocialist offensive in Yugoslavia had been stopped.

"Hungary has repeatedly asked for concrete proof concerning the arms deliveries affair. Most recently, on 25 January, I personally made a verbal note to this effect, but we have not received any proof to this very day. Incidentally, in our Hungarian files for October 1990, no Yugoslav customers are to be found in the "various engineering industry products" category, which also includes arms exports."

Geza Jeszenszky stressed that the Hungarian Government would continue to pursue a policy of noninterference and maintain good relations with Yugoslavia in the future. Preparations for high-level visits—elaborated together with the Yugoslav Government and the federated republics—are still on the agenda.

Spokesman Comments on Foreign Policy Issues

LD0402144891 Budapest MTI in English 1344 GMT
4 Feb 90

[Text] Budapest, February 4 (MTI)—Current events in Yugoslavia and the Baltic states show a strike similarity,

and Hungary would like to see a negotiated settlement to both conflicts within the alliance system, Janos Hermann, spokesman for the Ministry of Foreign Affairs, said in response to a question.

With regard to the Hungarian arms delivery deal, the spokesman said that the government regarded the affair as settled by its two relevant communiques. (the deal involved a Hungarian machine gun shipment to Yugoslavia ordered by a third party.) Hungary was continuing its efforts to maintain the lastingly good relationship and co-operation of the two countries, the spokesman said and confirmed that Prime Minister Jozsef Antall had received an official invitation to Belgrade, though the date of the visit had not as yet been fixed.

As to the question of whether military aircraft can pass through Hungarian airspace, as is allowed by the Czechoslovak and Austrian governments, the spokesman was in no position to give a definite answer, the affair being outside the ministry's competence.

Hermann said that the Slovak head of government and speaker of parliament, Vladimir Meciar and Frantisek Miklosko, would be visiting Budapest from February 8-9. Jozsef Antall is scheduled to meet them on the 8th with the aim of placing bilateral relations on a new footing.

On February 7-8, Elisabeth Higou, French minister of European affairs, will be holding talks here with leading government officials on bilateral relations and co-operation between Hungary and the European Communities.

From February 5 to 7 in Oslo, Ferenc Somogyi, secretary of state at the Ministry of Foreign Affairs, will be representing Hungary at the conference on the security and defence systems of the East European states, organized jointly by NATO and the Norwegian Institute of Defence Studies.

Janos Hermann announced that the Republic of Ecuador had unilaterally cancelled the visa requirement for Hungarian citizens, while Bulgaria had introduced the compulsory exchange of hard currency for them.

The diplomatic timetable includes three major events: a session of the Warsaw Treaty Political Consultative Committee, the Hungarian-Czechoslovak-Polish presidential meeting in Visegrad, and a COMECON summit, scheduled for February 27-28. No date has yet been fixed for the former two meetings.

Romanian TV Reduces Minority Broadcasts

LD0502003791 Budapest MTI in English 2033 GMT
4 Feb 91

[Text] Bucharest, February 4 (MTI)—The leadership of the Romanian television has decided upon a measure that actually reduces the time for minority broadcasts by half.

Half of the Hungarian and German programmes are to be broadcast on Channel 2 as from February 18. This channel can only be well received in a 160-km wide radius around Bucharest, in Brasso and partly in Temesvar (Transylvania).

The division of Hungarian and German programmes between the two channels was announced by the president of Romanian television, Razvan Theodorescu as part of a total programming scale down. Outlining the financial troubles burdening Romanian television, he stressed that the time for minority broadcasts would not be reduced. He failed to mention, however, that Channel 2 was inaccessible for the majority of Hungarians living in Romania.

In the Hungarian-language broadcast of Romanian television on Monday, the director of Hungarian programmes, Zoltan Boros said that so far, 18 minutes of the 234-minutes of Hungarian scheduled broadcast has been broadcast on Channel 2, with 216 minutes broadcast on Channel 1. 180 minutes of the broadcast took place on Monday afternoon with a repeat of half an hour on Saturday.

Channel 2 can only be received in 15 per cent of the country, mainly in the south. Therefore, for the majority of Hungarians living in Romania, the broadcast will actually be reduced by 50 per cent.

Several Romanian and Hungarian writers, artists, doctors and intellectuals were interviewed in the Hungarian programme on Monday, all of them expressing their shock at the measure.

Poet Sandor Kanyadi and others said they thought it strange that after a favourable decision from the Council of Europe for Romania, that again restrictions are being introduced for ethnic minorities, similar to the Ceausescu-era, when minority broadcasts were reduced and then eliminated with reference to economic considerations.

Several Romanians interviewed also expressed their regret over the reduction of the programme subtitled in Romanian, which they said had served as a bridge between them and Hungarians living in Romania.

The Romanian television has already received letters of protest from hundreds of private individuals and organizations, including the Democratic Alliance of Hungarians in Romania. The New York-based Hungarian Human Rights Foundation has also released a statement of protest.

Head of Medical Team in Saudi Arabia on Mission

AU0502141191 Budapest MAGYAR HIRLAP
in Hungarian 4 Feb 91 pp 1, 2

[Interview with unidentified commander of the medical troops stationed in Dhahran, Saudi Arabia by Bokor on

the telephone from Saudi Arabia; date not given: "The Hungarian Physicians in Dhahran Are Optimistic"; first paragraph is MAGYAR HIRLAP introduction]

[Text] The 37 Hungarian physicians in a hospital in Dhahran were working in a "mixed" but nevertheless more optimistic mood on 2 February. Our reporter called up the commander of the Hungarian medical group, who is probably one of the closest Hungarian observers of the Gulf war at the moment.

[Commander] All I can say about our activity is that we are working at a pace similar to that of previous days but under increasingly better conditions. Our physicians work in three shifts of 12 hours each, followed by 24 hours rest. The supplies are good, and our mood has also improved now that we have not had any Iraqi missile attacks for five days. Earlier, Scud missiles were intercepted quite near us.

[Bokor] The Iraqis recently tried to mount a more serious land operation against Saudi Arabia. What was the effect of this escalation on the activity of your hospital? Have wounded soldiers been evacuated to your hospital?

[Commander] Unfortunately, I am not allowed to give you such details. I must rely on your imagination in deciding whether this event had any effect on our burdens; however, the lifestyle of our people here is basically unchanged. They are reading and learning languages, mostly English, but there are a few who started learning Arabic.

[Bokor] What is the level of your technical supplies?

[Commander] We receive all our equipment from the Saudis, and the hospital is very well equipped with instruments and drugs. The Saudis also take care of our accommodations. Our cooperation with the Saudi commanders of this hospital is very good, and we are working according to Hungarian health regulations.

[Bokor] These are rather general things....

[Commander] Yes, I am sorry I cannot say more, and I do not even want to reveal my name; our superiors decided on this at home. This would threaten our security; more specifically, not so much our security here but the security of our families at home.

[Bokor] You are probably the closest Hungarian observers of the Gulf war. What is your impression about the prospects of this war?

[Commander] Just like you, we get most of our information from CNN. On the basis of the events so far, we have mixed feelings regarding the expected developments in this war. I can say, however, that we are more optimistic now than in the first days, and the failure of the Iraqi attack on Al-Khafji is one of the reasons for this optimism. One should note that this Saudi Arabian town was empty when the Iraqis occupied it, and they were pushed back very quickly. We here think the fate of this

war will be clarified perhaps by mid-March. It is also clear now that one of the major priorities of the United States is to achieve its military goals with as little human sacrifice as possible. I must say, however, apart from the aforementioned missile attacks, the war is relatively far from us, and we feel threatened here only to the same extent as anybody else who is now living in Saudi Arabia. We try to deal with our own affairs and carry out our tasks well, the tasks for which we were sent here.

Foreign Minister Views Cooperation Goals

PM0502133191 Stockholm DAGENS NYHETER
in Swedish 1 Feb 91 p 7

[Hans-Ingvar Johnsson report: "Hungary Has Faith in the Soviet Union"]

[Text] The Hungarian economy, which is in the midst of a difficult period of transition with reduced production and falling living standards, could perhaps reach the turning point this year and then improve in coming years. That was the claim of Hungarian Foreign Minister Geza Jeszenszky, who yesterday ended an official visit to Sweden.

His ambition has been—as he put it—to "introduce the new Hungary" to politicians and others, particularly Swedish businessmen, whose growing investments in Hungary are warmly welcomed in a country where the shortage of capital is one of the great problems in the transition to a market economy.

In his discussions with the Swedish Government, Jeszenszky was able to note a great deal of agreement between Stockholm and Budapest on the majority of today's important issues—the Gulf war and the crisis in the Baltic region, for example.

The latter has naturally been followed closely and not without some concern in Hungary in the light of what happened in 1956.

The foreign minister appeared to be relatively optimistic, however, at least as far as longer-term political developments in the Soviet Union are concerned. As an example of the strength of the reformist forces he pointed to the huge demonstration in Moscow in support of the Baltic states' cause.

Their liberation will not be a simple process, he warned; furthermore, both sides must learn the lessons of what has happened. Perhaps some form of "cooling-off period" will be needed.

He said he had every reason to hope for a "peaceful revolution" in the Baltic region like the one that gave his country back its freedom.

The foreign minister declared that Hungary is keen that the Warsaw Pact, "an enforced alliance from the days of the cold war," is wound up as soon as possible.

Both the Hungarian and Czechoslovak governments have made it clear that they will withdraw unilaterally from the pact if the Soviet Union will not negotiate the matter.

But they consider it desirable that the windup should take place with Moscow's approval after formal negotiations.

As far as European security questions are concerned Hungary attaches great importance to the CSCE. And as far as economic cooperation is concerned EC membership is the clear goal, but it is, however, some way off.

Hungary has close cooperation on a number of questions with neighboring Czechoslovakia and Poland. The country is also involved in a fairly loose five-state alliance, which also includes Czechoslovakia, Austria, Yugoslavia, and Italy.

Relations with neighboring Romania are disturbed to a significant extent by disagreements over the large Hungarian minority, approaching 2.5 million people, in Transylvania.

Jeszenszky, who was an academic historian with international relations as his speciality before he entered politics, said that the minority groups in the states of Central Europe total 14 million people—around 10 percent of the entire population.

He said that he hopes that the various countries in his region will be able to develop the same sort of relations as the Nordic countries.

He would like to see a Europe in which borders increasingly lose importance, in which all ethnic conflicts are defused, and in which at some point in the future it will perhaps be more fruitful to talk of 150 regions instead of 30-some nation states.

Cuban Debt Leads to Trade Suspension

LD0502114491 Budapest MTI in English 1000 GMT
5 Feb 91

[Text] Budapest, February 5, 1991 (MTI-ECONews)—Trade between Hungary and Cuba has been suspended for the last six months because Hungary did not receive any of the 90-100,000 tonnes of sugar which Cuba should have delivered last year. As a consequence, Havana's debt to Hungary grew from 100 to 160 million rubles last year.

Janos Czibula, a senior official of the Ministry of International Economic Relations, has told MTI-ECONews that, since last August, when it became apparent that Cuba was not going to export sugar to Hungary, Hungarian companies have only been able to export to Cuba for hard currency. Since then, however, only one deal has been concluded: Ikarus sold 4.8 million DM [as received] worth of bus spares to a Cuban company.

At Cuba's request, trade talks have been postponed twice recently, which means there is agreement neither on how Cuba should pay its large debt to Hungary, nor on how the two countries will settle trade bills after the switch-over to hard currency.

SZDSZ's Kis: Country at 'Political Stalemate'

AU0602101391 Budapest MAGYAR HIRLAP
in Hungarian 1 Feb 91 p 11

[Interview with Janos Kis, chairman of the Alliance of Free Democrats, by Dezso Pinter; place and date not given: "We Are Witnessing a Political Stalemate"; first paragraph is MAGYAR HIRLAP introduction]

[Excerpts] The Alliance of Free Democrats [SZDSZ] did not initiate negotiations on a new government behind the scenes. "Our current task is neither to discard the present government nor to keep it in office. We are preparing to handle the new situations emerging from the repeated government crises, either as the largest opposition party or as a party that could play a role in the possible future government"—Janos Kis said. According to Janos Kis, there is a political stalemate in the country today. As long as the present coalition has a firm majority in Parliament, this stalemate will prevail, unless we think that, in the future, the coalition might be able to solve the problems, something that it has failed to do so far; however, Janos Kis does not see great chances for such a change. [passage omitted]

[Pinter] On the occasion of a background discussion last autumn, you told me that, personally, you did not exclude the possibility of a grand coalition, but with a totally different Hungarian Democratic Forum [MDF] and SZDSZ. We know from the declarations made by the prime minister that the MDF continues to regard a joint government with the SZDSZ as unimaginable. In your view, has the possibility of a grand coalition fallen through for good?

[Kis] From the weeks preceding the elections to late autumn, I thought that, in the current situation, only a very broad coalition could stabilize our new political system and our economy. Today, I think that the possibility of a grand coalition is now more remote than ever, and I do not think about this.

[Pinter] How often do you meet with [Prime Minister] Jozsef Antall? Statements are issued about your talks, but nothing much can be learned from these statements. Are these meetings only formal talks?

[Kis] We do not meet very often; furthermore, essentially nothing more is said at these meetings than these press statements provide. [passage omitted]

[Pinter] In your former statements, you denied the existence of separate liberal and social democratic trends within the SZDSZ. Nor did you agree with the view that the SZDSZ was shifting to the left. After all, what kind of image is the SZDSZ trying to develop?

[Kis] We will finalize our draft statute at our general meeting to be held in the second half of February, and it says that the SZDSZ is a social-oriented liberal party, a party of freedom and solidarity. In my opinion, this formulation contains values that the entire SZDSZ membership can accept. [passage omitted]

[Pinter] I do not think that anyone could mobilize masses of people in this country against the parliamentary system. In a speech given at the end of last year, you seemed to be pessimistic about this. Do you still see any danger of an antidemocratic turn?

[Kis] The main danger today is the political disintegration that threatens democracy and the future of Hungary, rather than a political demagogue that could appeal to the people and the streets, eradicate our parliamentary institutions, and institute a dictatorial power. The demagogic claim that there is a silent and non-voting majority here which the current parliamentary parties do not represent and which should find representation elsewhere is increasing the aforementioned danger. There is only one democratic way out of the current crisis: political reorganization in the party structures, in the framework of the National Assembly. Anything else would only increase the chaos. [passage omitted]

[Pinter] In your view, how could the unpredictable international conditions affect Hungarian domestic policy?

[Kis] There is no danger of a national salvation council asking the brotherly Soviet troops for help. Instead, we are facing the danger of losing political courage. [passage omitted]

Finance Minister Speaks on Compensation Bill

*LD0502145491 Budapest Domestic Service
in Hungarian 0926 GMT 5 Feb 91*

[Speech by Finance Minister Mihaly Kupa in National Assembly debate on Compensation Bill in Budapest on 5 February—recorded]

[Text] Mr. Speaker, thank you for allowing me to speak. Esteemed House, ladies and gentlemen, I would like to outline some economic matters, restrictions, and possibilities that pertain to the bill that has been submitted.

First, I would like to explain what you know as well as I do, that a debate concerning any kind of compensation, whether it is partial compensation or compensation for the Germans, has four aspects—political, ethical, legal, and economic. We have found in yesterday's contributions an example of every aspect. I believe this is basically a political question. I myself am in agreement and consider compensation to be justified, but I wish to speak solely about the economic possibilities, restrictions, and impacts.

Hungary's economic situation is very well known to you. Not long ago we debated the budget for 1991, whose

deficit is 79 billion forints, and in which we did not earmark even a penny for compensation. At the cost of difficulties, we obtained the financing resources necessary for foreign commitments of 1991. Taking all this into account, as well as the easing of the population's burdens, the \$21 billion foreign debt and the 1,400 billion-forint internal debt, as well as inflationary effects, we consider it possible, irrespective of the political solution to compensation and the sphere of those partaking in compensation, to finance only compensation of an amount that does not exceed 70-90 billion forints, and in this I agree with what Mr. Rezzo Nyers has said.

I can immediately mention here the notion that we should regard this current bill as being the first phase—this is how it is worded by the bill itself—and there should be a further phase, later, of compensation. This can be interpreted as such politically, ethically, or legally, but my professional conscience does not allow me to delude you that we shall have further resources free for this in the coming one to two years. It is possible, therefore, and I believe necessary, to reach a consensus within this sum; we cannot determine the economic policy of the coming years, we cannot burden the young generation in the form of either compensation coupons or assets coupons.

Finally, I would like to say that in economic policy I have to consider the extra demand, along with its inflationary impacts, which at the moment are very difficult to estimate. I must explain in international organizations, to foreign creditors, that it is not their money that we are spending on enlivening demand and compensation, because this will be asked. Owing to these economic restrictions that cannot be bypassed without the country's collapse, I cannot accept either the SZDSZ [Alliance of Free Democrats] proposal on assets coupons, or the amounts mentioned by the Smallholders' Party. Sums of 200-300 billion forints cannot be pumped into the economy in this manner without it collapsing. An economic expert responsible for the country cannot undertake such risks.

From what can we give compensation? Naturally out of the state assets. The state assets, the assets of state enterprises, can be estimated at some 1,800 billion forints. This figure is totally uncertain, because this is the value according to the books; it may be more, but probably it is less. Out of these 1.8 billion forints, according to the books, 300 billion forints belong to self-governing bodies. The assets policy guidelines intend to allocate a further 100 billion forints to social insurance.

Concerning the remaining 1,400 billion forints, there is a state debt of the same amount; therefore, this means that there is no money.

I have not spoken about the preferential shares to be allocated to employees of state enterprises. Here, I am in agreement with Mr. Nyers, but I agree only that they can get such things in the privatization phase and at the time

of transformation; I cannot guarantee this to everyone as a civic right. The bill pertaining to this, by the way, is under preparation.

We have not reckoned with the fact that, according to the laws that are in force, enterprises are entitled to the shares remaining in enterprise ownership and which amount to 20 percent of revenues. To put it bluntly, if the Hungarian national assets which can be mobilized are privatized in full, every binding promise to engage revenues, beyond this, increases the state debt; compensation is also such an item, and thus, I agree with the keynote speaker of FIDESZ [Federation of Young Democrats]—well please, society will pay for this compensation. The state has no resource for this; therefore, we must weigh the economic possibilities and society's tolerance capacity.

What does the compensation coupon, presented in the bill, mean? Compensation, irrespective of the owner's person and the object of property, will take place through the application of identical principles and methods, in the form of a compensation coupon. The compensation coupon is a circulable security that embodies the demand on the state. Thus, I issue, for these state assets, a compensation coupon, and I guarantee that this compensation coupon can be exchanged, in nominal value, for state assets.

The issued compensation vouchers earn interest at the prevalent interest rates for public sector debts, this year at 9 percent, for only three years from the passing of the legislation, to encourage their utilization.

As the interest rates on public debts approach closest to the value increase in productive capital so the owners of compensation vouchers who make use of them later will be in the same position as those who had invested their vouchers earlier.

The vouchers entitle the owners not to cash but to purchase privatized state properties of 5-20 percent of the value of the state property, as determined by the State Assets Agency, up to a certain value. Under certain conditions those who qualify can also obtain productive land. The state guarantees the opportunities for utilizing compensation vouchers. I fully agree that the 5-20 percent limit set by the State Assets Agency still needs further investigation, because it will also depend on how much privatized assets will be ready and available.

The average measure of the compensation—I emphasize average measure—will be in the case of productive land nearly 80 percent, in the case of apartments around 30 percent, and in the case of industrial companies barely 10 percent at the most.

It cannot be denied that behind the figures there are several uncertainties. We cannot estimate the category of those who qualify, those who will apply, and also what values will be agreed on in the legal disputes.

According to the "A" variation, there will be need for about 70 billion forints worth of compensation vouchers, but possibly more. So much, however, is certain that the order of magnitude of the compensation and the proportion of compensation will be in line with the figures indicated.

What kind of economic risks are there in addition to those I have already mentioned?

We had already talked about state debts. The privatization of the state assets, in theory, provides an opportunity to dispose of state debts. With the compensation, new state debts will occur because this part of the state assets will be given away free; it will be free by right—I am not disputing this—but the share of state debts corresponding to this part of state assets will remain on the state accounts, and I will have to repay this from taxes or something else.

The size of the compensation makes the budgetary position more difficult both directly and indirectly. Directly because the interest on the debt that could not be reduced because of the compensation is a charge on the budget. Directly and indirectly because in the current year this 9 percent interest is naturally a charge on the state, so this also has to be financed from somewhere.

The situation is also not very clear because of the impact on the stock market, which has only now been established. Presently, the stock market turnover is around 30-40 billion forints per annum, it will be onto this that the annual 20-30 billion forints worth of compensation vouchers will be unloaded. This has partly the danger, which had been mentioned here several times, that the price of the compensation vouchers themselves will obviously fall, and the same cannot be excluded in the case of other shares and bonds either.

Here it must be considered whether these vouchers should be listed on the stock market, so that the population, because after all 1.5 million people are involved, could get the information how these vouchers are listed, what are their prices on the stock market. We have to consider if with suitable restrictions we should moderate the avoidable speculations.

Among the population there will obviously be a reaction that some would immediately wish to exchange the compensation vouchers for cash. This would reduce money savings, appear as purchasing power in the market, and very likely those who act in this manner will have a bad deal. Those who try to convert it into other tradable shares or state property will do well out of it, because in the long term, behind this there is real value and not only paper.

But I see the greatest problems in connection with the privatization cases. For this amount of compensation vouchers there would be a need for very large, immediately available privatization assets, or assets about to be privatized. At the final count, the value of the compensation vouchers will be decided by whether there assets

are immediately available or not. I myself agree that the privatization process must be strengthened and accelerated, but this presents a significant task for the government.

As you could see, behind this compensation bill proposal there are considerable uncertainties, risks, emotions, political tensions, and everything else. I would still like to explain that, first, I do agree with the compensation proposal and this special treatment of the land, because in the case of the land people have been deprived not only of their property but of their way of life as well, and this makes a great difference.

Second, as long as we do not settle the underlying property situation—that is, the land question—neither home investors nor foreign ones, nor anyone else, will be willing to come here to invest, because of the uncertainties in what he has or is about to establish.

Finally, I would like to say that today, this morning, also began with some rather emotional debates taking place. This compensation bill, in fact, also reflects emotions and injustices from those whom we cannot fully compensate, but also from those who are saying that they did not take part in this process and now still have to pay for it. I think emotions in society are a very good thing, but these emotions should be transformed into healthy emotions; we should settle at long last with ourselves, and this compensation bill is an excellent opportunity for it because we must move forward. Thank you for your attention.

Preliminary 1990 Economic Figures Released

*LD3001153691 Budapest MTI in English 1435 GMT
30 Jan 91*

[Text] Budapest, January 30, 1991 (MTI-ECONWS)—According to preliminary Ministry of Finance figures, Hungary's GDP fell by 5 per cent last

year, but under the impact of economic pressure, the process of change in markets and the structural adjustment did get off to a start.

The principal causes of the drop in the GDP are an estimated 10-per-cent decline in industrial production and the decrease in agricultural production brought on by the summer's drought.

At the same time, Hungary's convertible trade surplus reached a record high of 945 million USD [U.S. dollars] in 1990, after amounting to 540 million USD in 1989.

In spite of growing interest burdens, the country's current account is also expected to be in the black.

National Bank of Hungary statistics showed a convertible current account surplus of 525 million USD last November.

The dollar income from tourism grew by 60 per cent last year to reach 850 million USD.

According to preliminary figures, the 1990 tourism balance will show a surplus of 390 million USD, as compared to a deficit of 376 million USD in 1989.

Rapidly-growing unemployment is a concomitant of the recession and structural adjustment.

At the end of December, 90,000 people—2 per cent of the country's active workforce—were out of work.

At the end of 1989, there were 28,000 unemployed in Hungary.

Real wages declined by 8-9 per cent, falling back to the level of the early 1970's.

Under the combined impact of the decline in real wages and rampant inflation, the population's consumption declined by 5-6 per cent last year as compared to 1989.

Retail trade turnover was down by 15-16 per cent in real terms, whilst consumer prices rose 28-29 per cent.

Sejm Composition Seen as No Longer Representative

AU0402125591 Warsaw RZECZPOSPOLITA in Polish
30 Jan 91 pp 1, 2

[Bozena Wawrzewska commentary: "When Are The Elections?"]

[Excerpts] The fever that accompanied the presidential campaign has subsided. But for how long? More and more parties and political groups are talking about the next elections. Various possible dates and different kinds of election rules are being suggested, and the fact that the present Parliament is no longer representative of the people is being repeated.

Obviously, the present Parliament was never chosen in a free election. At a time when other public bodies possess a social mandate, the Sejm is still burdened by the old political deal. The most frequently cited argument is that 65 percent of the Sejm consists of representatives of political forces that have lost the strength and significance they had before the "roundtable" deal was struck.

That is true. The PZPR [Polish United Workers Party] does not exist any more, and its successor, the SDRP [Social Democratic Party of the Republic of Poland] has not attracted all those who carried a red party card. The SD [Democratic Party] is divided into several factions, and it is difficult to say who its small electorate would vote for. The PSL [Polish Peasant Party], formerly the United Peasant Party, has several factions and is being torn apart by internal squabbles that are of no use to any party. Finally, the Sejm consists of representatives of forces that were given seats in the Sejm under the terms of the "roundtable" deal but are nevertheless very small and devoid of any political status; forces such as the Christian-Social Union, Polish Catholic-Social Union, and PAX Association [Christian Social Association], whose political position will not be improved even if it allies itself to the Center Accord.

But the other side is also no longer the single entity it was at the beginning of the present Sejm. "Solidarity's" internal squabbling has affected some "Solidarity" deputies in such a way that one can no longer determine what percentage of them still enjoy the social mandate they won at the Sejm elections two years ago when they were all united in a common struggle against the old order. The label "fighting against communism" is no longer sufficient in the struggle to win votes, something made very clear by the presidential campaign and Tyminski's performance.

Nevertheless, many new parties have appeared since the "roundtable" deal. How strong are they? It is difficult to say right now. According to their leaders, they enjoy considerable social support. But do they really?

So far, only the KPN [Confederation for an Independent Poland] has furnished any evidence of its social support. Both the local government elections and the presidential

elections seem to indicate that the KPN is a group of generals without an army. Are other new groups in for a similar disappointment?

Certainly not all of them. It seems obvious that ROAD [Citizens Movement-Democratic Action], the Democratic Union, and Center Accord will all have seats in Parliament. The postcommunist parties also seem to have faithful followers among their voters, especially the SDRP. All this, of course, depends on whether or not the principle of proportional representation is adopted, and whether or not each individual party receives at least 5 percent of all votes, a sensible threshold in our present situation. A lower threshold might cause an excessive political fragmentation in the Sejm, which would affect its efficiency.

Perhaps the Polish Social Union might succeed in crossing this threshold. The PSL certainly will, because 7 percent of the electorate voted for the PSL presidential candidate. Perhaps the SD will manage it as well if it overcomes its internal divisions and nominates a single candidate.

Such would be the probable political constitution of the Sejm if the principle of proportional representation is adopted. There might be other parties in the Sejm as well, but their presence may depend not so much on their own strength as on their luck in joining forces with some other groups.

From this angle, on account of the party composition of the next Sejm, it does not seem unduly important whether the Sejm elections take place in the spring, summer, or winter. Nothing special is happening in Poland right now that would suddenly make several dozen small parties coalesce into a few big ones. It is the big parties that will gain more voters. These parties will be fighting not only to gain admission to the Sejm in the first place, but also to have as many seats in that Sejm as possible. [passage omitted]

When should the Sejm elections take place? Certainly not in two years' time, the time formally specified by law. The Sejm's term of office should be curtailed, but by how much is still an open matter, something that is up to the present Sejm itself to decide.

Prospects for Exports to USSR Seen as Limited

AU0602095991 Warsaw GAZETA WYBORCZA
in Polish 1 Feb 91 p 11

[Interview with Foreign Economic Cooperation Minister Dariusz Ledworowski by Alina Bialkowska; place and date not given: "We Are Not Going To Become the Great Intermediary"]

[Excerpts] [Bialkowska] Poland lies at the juncture of two great markets, the EEC and the USSR. The first one

is crammed full of goods, the second has chronic shortages. Have you any ideas as to how Poland could best profit from this situation?

[Ledworowski] I do not envisage Poland becoming a great trade intermediary between the two markets, namely, selling Western goods to the USSR. The EEC is already organizing its own trade links with the Soviet Union. Members of the 12 can easily support their export drive with their own finance; Poland cannot. We have to concentrate on what Polish products we can sell in the USSR and what products we would like in return. The Soviet market is not an easy one.

[Bialkowska] What is the greatest barrier to trade with the USSR?

[Ledworowski] The political and economic disintegration of that country. It is still unclear what powers will be granted to the republics and what Moscow will retain. The Soviet enterprises have no idea of how market rules work and are not ready to start negotiating and concluding contracts. In addition to this, the USSR will experience a severe recession, possibly amounting to between 10 and 20 percent, and this means that investment and imports will decline sharply. This is bound to hit our exports there very hard.

[Bialkowska] We closed last year with a very high surplus balance of trade with the USSR. In the Sejm, voices were raised that our budget was not prepared for this.

[Ledworowski] First, the surplus was largely the result of a drastic drop in imports. Our exports were already less than they were in the preceding year. If we had forcibly tried to balance this trade, our recession and inflation would have been worse. Many of our enterprises had nowhere to dispose of their products and many went bankrupt. Subsidies to shore up enterprises in difficulties are also a great burden on the budget. In the final analysis, the authorities would have had to make a decision as to who was to shut down. With an unpredictable market like the USSR's, it is impossible to make any kind of meaningful calculation. For example, last year everything seemed to indicate that nobody in the USSR wanted to purchase our wheat driers for dollars. Now, it looks like Kazakhstan, among others, wants to buy them, and the contractual documentation is ready for signature. Yet not so long ago the decision to stop production and halt exports (expressed in rubles) was almost made.

[Bialkowska] However, this surplus just about equals the debt we owe to the Soviet Union. Is this pure coincidence?

[Ledworowski] Our attitude on this debt has not changed. Poland was not treated fairly in the so-called raw material projects and we have suffered losses. The Russians are not willing to accept this. The agreements were signed by previous governments and the whole matter is tangled up in international law.

[Bialkowska] Does that mean that, contrary to earlier statements, we will have to pay off this debt?

[Ledworowski] I did not say that. Further negotiations will begin soon and there are various possibilities for solving this problem.

[Bialkowska] For example?

[Ledworowski] I do not want to give away our arguments beforehand.

[Bialkowska] Several weeks ago, the Export Credits Guarantee Corporation was established. It will guarantee export finance for exporters. Who will the corporation assist, new businesses or state enterprises that are dependent on the Eastern market?

[Ledworowski] The corporation will function according to commercial criteria. Exporters will have to pay for the guarantee according to the rule: the higher the risk the higher the premium.

[Bialkowska] Among participants there are large exporting enterprises. Is there a danger that people from the so-called old guard will be preferred and money will be dissipated into these inflexible organizations?

[Ledworowski] The main participants in the project are the Ministry of Finance and the Ministry for Foreign Cooperation, not export enterprises. I do not anticipate any internal preferences, because the price of coverage will not be dependent on whether the applicant is a participant or not. [passage omitted]

[Bialkowska] What three stupid regulations would you like to change as soon as possible?

[Ledworowski] There are many stupid regulations. The first one that comes to mind is the regulation that requires the written approval of the minister for foreign cooperation before an official passport can be issued to a Polish private businessman.

First Five Privatizations Oversubscribed

AU0402143391 Warsaw GAZETA WYBORCZA
in Polish 2-3 Feb 91 p 2

[Unattributed report: "More Buyers Than Shares"]

[Text] Not everyone who applied for shares in the first five enterprises to be privatized got them. There were more buyers than shares. Those who were disappointed this time will no doubt be cheered by news of more upcoming privatizations this spring.

The minister of ownership changes reported on the offer to the public of shares of the first five companies to be privatized. As of 6 February 1991, lists of persons whose share applications were successful will be exhibited at every bank that participated in this share sale. There will also be lists of all those people who were unsuccessful. From 1 March 1991, the new shareholders will be able to

get their deposit certificates—documents that support their legal right of ownership of the shares. The shares themselves, however, will remain with the banks for safekeeping.

Persons who did not receive an allocation will be reimbursed. If they paid with state bonds, the same bonds will be returned to them. These can be reclaimed from the appropriate bank from 6 February 1991.

Exbud S.A.

There were 30,000 applications amounting to a total of 576,000 shares. Only 450,000 Exbud shares were subject to the public offer. The demand exceeded supply by about 28 percent. All people who applied for 95 shares or less will receive the full number applied for. People who applied for 100 shares will receive the full allocation, provided they submitted their application before 7 December 1990. Applicants for over 100 shares did not receive any.

Silesian Cable Factory S.A.

There were 34,000 applications amounting to 890,000 shares. As only 830,000 shares were subject to the public offer, the demand exceeded supply by 7 percent. All those who submitted applications before and inclusive of December 21 1990 are to receive the full number applied for (regardless of the number). Those who applied between 22 December 1990 and 5 January 1991 will receive the full number applied for, as long as their application was for less than 35 shares. Persons who applied for 40 shares on December 22 1990 will receive the number applied for. Other applicants have not been allocated any shares.

Krosno S.A.

There were 29,000 applications amounting to a total of 1,140,000 shares. As only 1,100,000 were subject to the public offer, the demand exceeded supply by 4 percent. All those who applied for 35,000 shares or less will get the full allocation they applied for. Applications in excess of 35,005 shares will be scaled down proportionally and the applicants informed of the number of shares they have been allocated.

Prochnik S.A.

There were 32,000 applications amounting to a total number of 1,253,000 shares. As only 1,100,000 shares were subject to the public offer, the demand exceeded supply by 4 percent. All those who applied for 50,000 shares or less will receive the full number of shares they applied for. All applications for over 50,000 shares will be reduced proportionally. The relevant applicants will be directly informed of the number of shares they have been allocated.

Tonsil S.A.

There were 28,000 applications amounting to a total of 783,000 shares. As only 750,000 shares were being

offered, the demand exceeded supply by about 4 percent. All those who applied for 35,000 shares or less will receive the full number applied for. All applications for over 35,005 shares will be reduced proportionally and applicants informed of their allocation in due course.

Results of Poll on Support for Balcerowicz Plan

*LD0502125891 Warsaw PAP in English 1203 GMT
5 Feb 91*

[Text] Warsaw, Feb. 5—Almost 30.2 per cent of all participants in a poll carried out in January expressed their support for the Balcerowicz plan. 28.9 per cent said they do not support the plan.

In a poll conducted by the Public Opinion Polling Centre (CBOS) 37.1 per cent of the respondents said that the plan demands important corrections, while 28.6 per cent of those polled expressed a view that there is a need for a new programme which should include those elements of the Balcerowicz plan which passed the test of practice.

Over half of the respondents (52.9 per cent) said that hardships which the society had already experienced during the implementation of the Balcerowicz plan are considerably greater than expected.

63.9 per cent of respondents also said that the costs linked with the implementation of the plan appeared to be too high compared with the results.

Government Spokesman on Information System

*LD0502103791 Warsaw PAP in English 1916 GMT
4 Feb 91*

[Text] Warsaw, Feb. 4—Poland needs an efficient circulation of information so that people understood the need for reforms and could identify with them, government press spokesman Andrzej Zarebski said at a press conference here today.

The communist system of propaganda has disintegrated, but a new one has not been formed yet, he added.

According to Zarebski a government spokesman should not be a know-all but he should provide access to competent people for newsmen. Therefore the spokesman's press conferences will be replaced with meetings with heads of individual ministries.

The spokesman assured that the government will be guided by the principle of openness and a free access to information. A badly-informed journalist is a badly-informed society, he said.

The government is going to respect the sovereignty of the press, he declared and announced that RZECZPOSPOLITA will no longer be the government daily.

We plan to sign an agreement with its commercial editors for publishing materials interesting for the government, the spokesman added.

We are holding talks with the management of the PAP Polish Press Agency and Solidarity concerning a reform of this institution. Many things go wrong there, Zarebski stated.

He recalled that the PAP new head has been leading the agency for 5 months, some managerial staff and foreign correspondents have been changed.

But these reforms are still highly unsatisfactory, the spokesman opined. This refers both to the structure and the issues connected with the personnel policy.

Zarebski stated that the government is not going to interfere with the development of private radio and TV stations. A free circulation of information, he said, should take place in the system in which many holders of mass media operate.

In reference to the excess wage tax, the spokesman stated that the issue should be solved by means of negotiations with trade unions.

The government must not depart from the anti-inflationary policy, he stated, neither must it remain indifferent to workers drama. Both sides show understanding for systematic solutions rather than exemption of individual branches or enterprises from the tax.

The fourth round of Polish-Soviet talks on the withdrawal of Soviet troops from Poland and the transit of USSR forces from Germany will be held in mid-February. Poland's stand on these questions remains unchanged, Zarebski stated.

Referring to the reduction of Polish debt, the spokesman opined that this is first of all a political problem, not only a financial one. Our creditors have to believe that the reduction of the debt is necessary to keep the pace of reforms in Poland and to continue the process of her integration with Europe, he said.

Daily No Longer 'Government Organ'

AU0402140191 Warsaw RZECZPOSPOLITA in Polish 1 Feb 91 pp 1, 2

[Dariusz Fikus editorial: "RZECZPOSPOLITA in a New Role"]

[Text] RZECZPOSPOLITA is ceasing to be the government's official organ. We tried to achieve independence under the Mazowiecki government and have now finally achieved it, thanks to an agreement with the government of Jan Krzysztof Bielecki. The idea of a government paper is connected with the Stalinist concept of the press and with a formal division between the party and the government. The party runs the state, and the state performs an executive function. That is the origin of the "rebirth" of RZECZPOSPOLITA, a paper whose traditions reach back all the way to 1944 when there was a paper with the same name, set up by Jerzy Borejsza in Lublin and serving as the official organ of

the Polish National Liberation Committee. RZECZPOSPOLITA reemerged in 1982 during martial law. We find the idea of such a paper alien and anachronistic.

No highly developed country has any papers that serve as government organs. There are all kinds of governments—coalitional, transitional, and so on—and it is pointless to adapt newspapers to them. After all, the readership of a given paper remains the same, whereas the composition of governments changes. Readers want their paper to be objective and independent. That does not mean, of course, that apart from papers purely devoted to information, there are no papers with socialist, social democratic, conservative, or liberal inclinations. A particular paper's allegiance is made plain, however, not kept hidden. These papers try to separate objective information from political commentaries that are dictated by their political orientation.

For the last year, ever since the emergence of the first noncommunist government in the autumn of 1989, RZECZPOSPOLITA has tried to be an independent, impartial newspaper. It is up to the readers to judge that effort. We tried to help the Mazowiecki government by presenting objective information about its work. We never pursued an apologetic attitude vis-a-vis that government.

At the same time, we have tried to become financially independent, and today we no longer require any subsidies.

But does that mean complete independence from the government? Will that cause any changes to our orientation. No. First of all, we will remain an informative paper. We wish to preserve our strong position in reporting at length on the work of the government, minister, and central bodies. We wish to continue to present government documents to our readers. In this matter we will conclude an agreement with the government which, among other things, will place us under an obligation to provide space for all the most important legal instruments.

We also wish to report at length on the work of the Sejm. The work of the president will also be noted and commented upon in our columns, much more than in other papers.

We want to be the Polish businessman's paper, which is why we are expanding our economic section, and also the paper of the Polish administrative apparatus, i.e. directors of enterprises, schools, hospitals, banks, and local government bodies. Thanks to this, we are the best place in which to advertise. Independent surveys prove that our advertisements are the most successful in Poland.

Thus, to put it in broad terms, we wish to be the paper of the middle class now being created in Poland. Just like the government, we too consider this class to be Poland's future.

We are forming a joint-venture company with a foreign partner. Talks with the French publisher Socpresse were difficult, lasted many months, and ran into all kinds of obstacles, but all that is behind us now. Entering into this partnership will enable us to modernize the paper,

increase its size, adopt a European information standard, computerize the editorial offices, and, most of all, modernize the printing operation and abolish the troublesome one-day delay in the paper's appearance.

That is our credo. Now that the prime minister has stated that RZECZPOSPOLITA is no longer a government organ, we felt we owed it to our readers to explain this fact.

Bielecki's Criticism of Paper Challenged

AU0502213691 Warsaw GAZETA WYBORCZA
in Polish 31 Jan 91 p 11

[Adam Michnik commentary: "GAZETA WYBORCZA Reflects Poles as They Really Are"]

[Text] Right from the start I knew that a change of president or government would not bring any radical changes for the better in ordinary people's lives. I did not believe—even for one moment—the political and economic miracle cures being postulated by Lech Walesa's victorious camp. I knew that the generous promises were just a ploy to win the election.

After the election, however, I came to the conclusion that savage attacks on the new authorities—along the lines of earlier attacks against the policies of the Mazowiecki government—would be a sign of immaturity in the face of responsibility for the country. Many of us adopted a calm, wait-and-see approach in relation to the new president and prime minister.

The most recent statements made by Prime Minister Bielecki have given me a lot to think about. In the GAZETA WYBORCZA (28 January 1991) interview, his answer to the question—"What can the government do for all those people who were counting on there being no unemployment, no Balcerowicz, no Western capital in Poland, and that every person will get 500 million zlotys?"—was: "The GAZETA WYBORCZA interviewer obviously has something against Poles, takes offense at them, and treats them as if they were ignorant."

In another place, Jan Krzysztof Bielecki added: "GAZETA WYBORCZA likes to talk about anti-Semitism, but is Poland such a bad nation, or is it poverty that releases nationalism and other bad features?"

On specific questions about economic policy, the Prime Minister was less forthcoming, and it looks like we and the general public will still have to wait for specific answers to those questions. Nonetheless, we intend to answer the Prime Minister's accusations without any delay whatsoever.

First, how does the prime minister know that GAZETA WYBORCZA does not like Poles and that it thinks they are ignorant?

Where have you, Prime Minister, come across such sentiments in our publication? Please indicate the place, article, and paragraph? If you have difficulties in tracing such items—as I imagine you will—then I demand a public apology from you, because you have slighted us publicly. I do not for one minute think that Prime Minister Bielecki will be able to prove that he likes Poles better than the journalists of GAZETA WYBORCZA do.

Second, are you totally unaware that by equating criticism coming from any political camp with antagonism toward the Polish nation, you are using anachronistic rhetoric of a bygone age? We heard this sort of inane rubbish for many years and nobody is fooled by this anymore.

Third—and I shall be frank—not having any critical attitude toward one's own nation and flattering it instead is a very dangerous game. The history of 20th century Europe teaches us this. Prime Minister Bielecki's immediate predecessor, Tadeusz Mazowiecki, wrote a long time ago that: "Christianity does not permit us to accept our national heritage without any criticism, but demands that we oppose it when the darker aspects of this tradition come to the surface." These words are worth further thought.

Fourth, and contrary to your view, we do not like to write about anti-Semitism. We do it with great regret and without deriving any pleasure. I think that the Polish bishops have similarly had to speak out on this issue with great regret and without deriving any pleasure. Evil must be called by its proper name. I share your opinion, Prime Minister, that Poles are not the worst of nations in this respect and that it is poverty that unleashes nationalism and other bad qualities. I would just like to add that poverty also breeds demoralization, corruption, crime, and alcoholism. We do not like to write about these things, but we do and will continue to do so because this is how we understand our professional responsibility. A journalist should always write the truth. Regarding anti-Semitism, I will again quote what Tadeusz Mazowiecki said over 30 years ago: "Anti-Semitism is an equally convenient slogan to turn attention away from the real source of difficulty and social conflicts and to deflect social discontent toward this all-embracing symbol of evil. Anti-Semitism is irrational. It speaks to the mind with primitive but powerful arguments. Surfacing in various conditions and for long periods of time, it has created favorable ground for the arguments it feeds upon. One can even say that it has successfully created a social tendency that makes it easier to accept anti-Semitic slogans without criticism."

Prime Minister Bielecki has rightly spoken of the need to integrate Poland within a democratic Europe. The essence of contemporary Europe is tolerance within a multicultural society.

In that same article Mazowiecki also wrote: "Given contemporary conditions, a nation that cannot open itself to such processes is condemned to remain bogged down in fanaticism and to be cut off from the normal currents that enrich its life and culture." These words are also worth further consideration.

'Special Guest' Status at European Council Viewed*AU0502143591 Bucharest ROMPRES in English
1250 GMT 5 Feb 91*

[Text] Bucharest ROMPRES 5/2/1991—"A victory of the Romanian people in the fight against the refusal to be understood" is one of the assessments of daily "AZI" regarding the granting to Romania of the "special guest" status to the Parliamentary Assembly of the Council of Europe. This is a kind of "diploma for good behaviour," a recognition of the real progress towards democracy in Romania.

Referring to Mr. Petre Roman's statement on returning from Strasbourg when he stressed that "now the fight is to be fought at home," "TINERETUL LIBER" writes: "We will have to clearly understand that the conditions imposed by the European Community to admit us as one of its members are in no way an attempt at our national dignity; on the contrary they are essential landmarks in post-revolutionary Romania's regaining its awareness."

"Before raising the cup of champagne, writes Mr. Silviu Brucan in "ADEVARUL", and admitting that the tough punishment has done us good as it has made our governors realize that we live on a continent and in times when mistakes and abuses are blamed not only by Romanians but also by the other Europeans, even more severely than the natives....

"On 30 January we have entered the European stage of the development of democracy and of the market economy in Romania. Every political and economic initiative must be thought now in the European context and in the perspective of the new developments on our continent. And while in this respect the administration holds the main responsibility, Mr. Brucan writes, the opposition must also be aware of the international dimension of its various methods, activities and standtakings.

As an answer to Mr. Petre Roman's statements after the "triumph" in Strasbourg, "ROMANIA LIBERA" writes: "...One must not forget that we have been admitted in Europe long after other neighbour countries and that because of the great political mistakes made by the Front [National Salvation Front] and its leaders throughout last year. Without these mistakes the valuation and sympathy we were enjoying at the end of December 1989 would have long ago ensured us a comfortable place in the concert of the European nations.... Let's hope that our admission to the fashionable circles of Europe will help us embark more firmly on the path of an authentic democracy and without concessions to the detriment of Romania, avoiding a new dictatorship. This road will not be an easy and smooth one, no matter how democratic the institutions we build so hastily," "ROMANIA LIBERA" opines.

Roman's Impressions of Economic Forum Meetings*AU0502175891 Bucharest ROMPRES in English
1728 GMT 5 Feb 91*

[Text] Bucharest, ROMPRES, 5/2/1991—Prime Minister Petre Roman met with press representatives at the Government Headquarters on November 5, to impart impressions of his recent meetings in Strasbourg.

Referring to his participation in the Davos Economic Forum, Petre Roman expressed satisfaction at the interviews with various financial personalities and groups.

"I gave a minute presentation of the economic processes going on in Romania", he said. "We are the first country in Eastern Europe to have liberalized the wages, with an immediate consequence—the unemployment. We are advanced as the banking system is concerned through the organization of the central banks and of the commercial banks. I reiterated at the meeting that the Western assistance had to be conducive to partnership, which is the real cooperation. All the Western Bloc countries turn toward a format of association to the Common Market. I do not think it fit to oppose this tendency to other one which, to my mind, would not be viable.

"The intensification of the relations of cooperation may be achieved especially in the context of the preoccupations for the environment. I think the cooperation among the East-European countries now does not have a political form. Likewise, there is an opinion that action should be taken for a summit of the Warsaw Treaty member countries to settle the treaty's future, since there are obvious preoccupations connected with the respective countries' security in the context of the Treaty's becoming fragile and in the absence of a format, other than the CSCE, which is only in embryo though."

Prime Minister Roman showed on the same occasion that the Western assistance to the East-European countries was not enough, although it was also in the former's interest. Prime Minister Roman showed also that he had advanced at the Davos meeting the idea of European collaboration on a possible North-South axis that should enlarge the work-together between the Danubian countries and those in the Northern part of the continent.

Canada Grants 30 Million Dollar Credit*AU0102170291 Bucharest ROMPRES in English
1016 GMT 1 Feb 91*

[Text] Bucharest, ROMPRES, 1/2/1991—The Canadian Government granted Romania an agricultural credit of 30 million dollars for buying fodder cereals from Canada, the spokesman for the Ministry of Foreign Affairs Traian Chebeleu told the Thursday [31 January] news conference. Thanking for the aid Mr. Chebeleu said it was extremely important for the efforts made by the Romanian Government to get the Romanian economy out of the crisis inherited from the past regime.

Joint Danish Economic Commission Session Held

AU0502144591 Bucharest ROMPRES in English
1055 GMT 5 Feb 91

[Text] Bucharest, ROMPRES 5/2/1991—The proceedings of the fourteenth session of the joint Romanian-Danish Governmental Commission of Economic, Industrial, Technological and Scientific Cooperation started in Bucharest on Tuesday.

The two delegations headed by Mr. Napoleon Pop, secretary of state, head of the Foreign Trade Department in the Ministry of Trade and Tourism, and Mr. Arne Christiansen, chairman of the Danish Committee of Economic and Industrial Cooperation, will deal with questions concerning the current stage of the economic relations between Romania and Denmark, the perspectives of the further development of the Romanian-Danish cooperation as well as with the expansion and diversification of the mutual exchange of goods.

Economic Commission With Pakistan Ends Session

AU0502135891 Bucharest ROMPRES in English
1853 GMT 5 Feb 91

[Text] Bucharest, ROMPRES, 5/2/1991—The Romanian-Pakistani Joint Commission for Economic, Commercial, Technical and Scientific Cooperation concluded the proceedings of its 12th session at Islamabad. The commission examined and found satisfactory the course of the economic and commercial bilateral relations since the previous session and appreciated that the conditions recently created in Romania for the transition to a free market economy would contribute to further strengthening and developing the mutually profitable bilateral cooperation.

Agreements were signed for cooperation and concrete projects in the chemical, petrochemical and cement industries, mining, electric power, metal working, agriculture, fruit and vegetable processing.

The protocol was signed by Minister of State for Economic Orientation Eugen Dijmarescu, head of the Romanian delegation, and Sartaj Aziz, Pakistani minister of finance and economic affairs, head of the Pakistani party to the talks.

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Pakistan's President Ghulam Ishaq Khan received Eugen Dijmarescu, the Romanian minister of state for economic orientation and head of the Romanian party in the Joint Romanian-Pakistani Commission for Economic Cooperation.

The interview brought into relief the good relations between Romania and Pakistan, their wish to develop bilateral economic cooperation and the favorable prospects to this end as an effect of the deep changes to wards democracy and market economy in Romania.

U.S. Debate on Granting MFN Status Welcomed

AU0402215091 Bucharest Domestic Service
in Romanian 2000 GMT 4 Feb 91

[Statement by Foreign Affairs Ministry spokesman Traian Chebeleu on the introduction in the U.S. Congress of a bill granting most favored nation status to Romania and Bulgaria; place and date not given—recorded]

[Text] [Announcer] To begin with, here is a news item from Washington. On 29 January, Barbara Kennelly, member of the U.S. House of Representatives on behalf of the Democratic Party, introduced a bill granting Most Favored Nation [MFN] status to Romania and Bulgaria for a period of three years, as of 4 July 1991. In this connection, we asked Ambassador Traian Chebeleu, spokesman of our Ministry of Foreign Affairs, to make a short statement.

[Chebeleu] We consider the introduction in the U.S. Congress of the bill granting MFN status to Romania as a very positive thing. It is obvious that the Jackson-Vanik amendment has lost all relevance now, as far as Romania is concerned. As is known, this amendment linked the granting of MFN status to east European states to their emigration policies. Right now, Romania's emigration policy is very liberal, indeed, compared with the past, so, we believe that the invocation of the Jackson-Vanik amendment has no relevance whatsoever for the issue of the MFN status to Romania. As a matter of fact, we are talking about the reinstatement of the MFN status for Romania, as Romania enjoyed this status in the past.

Because this amendment is no longer relevant, it is obvious that there are only political reasons for the fact that the MFN status has not yet been regranted to Romania. This is a reality with which we must live—namely, that certain influential U.S. political circles do not sufficiently trust the democratic evolutions in our country toward a truly democratic and pluralistic society.

We hope the introduction of this bill will lead to a balanced examination of the Romanian developments by the decision makers in the U.S. Administration and the Congress, who can thus ascertain the religious freedoms granted in Romania and the rights of persons belonging to ethnical minorities, two aspects which were often presented in the U.S. political circles as yet unresolved in Romania. Therefore, we consider this move as a particularly positive thing, which can lead to an (?expansion) of relations.

'Fratia' Urges Iraq To Stop Attacks on Israelis

AU0502144191 Bucharest ROMPRES in English
1050 GMT 5 Feb 91

[Text] Bucharest ROMPRES 5/2/1991—The Confederation of the Independent Trade Union Organisations "Fratia" addressed Minister of Foreign Affairs Adrian Nastase the request to make the necessary demarches to the

Iraqi Government to cease the armed attack against the civil population in Israel. The letter appreciates that "Fratia" considers the bombing of Israeli settlements as a flagrant breach of international human rights conventions.

The "Fratia" confederation also addressed the Iraqi Embassy in Bucharest demanding it to make the necessary appeals to its government to stop those attacks against a state which is not in a state of war with Iraq and which proves a great wisdom by answering in no way.

"Fratia" also addressed the International Confederation of the Free Trade Union Organisations asking it to make everything in its power to free the Chinese trade union leaders who participated in the movements for democracy in China in the summer of 1989 and who are still in prisons. The same international forum was requested its support in stopping the Iraqi Armed Forces' attacks against Israel.

Similar appeals for the settlement of these issues were handed over to the International Labour Organisation and the United Nations organisation.

Offer Extended To Shelter Israeli Children

*AU0602101291 Bucharest ROMPRES in English
0925 GMT 6 Feb 91*

[Text] Bucharest, ROMPRES, 6/01/1991—Mr. Tzvi Mazel, Israel's ambassador in Bucharest, in an interview with daily "TINERETUL LIBER", wished to thank all persons who had contacted in writing, on the telephone or directly his embassy, offering to shelter Israeli children all through the Gulf conflict.

"Such offers are, undoubtedly, touching and impressing and show once more the deep solidarity and the very special character of the relations between Romania and Israel", Ambassador Tzvi Mazel pointed out.

State Minister, Italian Businessman Hold Talks

*AU0502150091 Bucharest ROMPRES in English
1403 GMT 5 Feb 91*

[Text] Bucharest, ROMPRES, 5/02/1991—Growing collaboration between Romanian economic agents and the Italian firm "Italstrade" was the topic of talks Mr. Anton Vatasescu, minister of state in charge of industrial and commercial activities, conducted with Giuseppe d'Angiolino, president of the said firm, now in Romania upon the invitation of the Romanian agency for promotion of foreign investments and economic assistance.

Analysis was made of the specific possibilities of expanding collaboration in water power construction. The Italian firm has recently signed a contract on the building of a 26-km long section (Bucharest-Fundulea) of the Bucharest-Constanta road together with the Central Railway Construction Department.

Iliescu Receives Moldovan Foreign Minister

*AU0502195691 Bucharest ROMPRES in English
1912 GMT 5 Feb 91*

[Text] Bucharest, ROMPRES, 5/2/1991—Romania's President Ion Iliescu received on February 5 in the evening at the Cotroceni Palace Mr. Nicolae Anton Tiu, minister of foreign affairs of the Republic of Moldova, now on a Romanian visit as guest of the Romanian foreign minister, who attended the interview.

After the interview, the guest stated to the journalists: I have been most kindly received by Mr. President with whom I have had a very serious talk. We have discussed various matters, I outlined the situation in the Republic of Moldova and was given information on the situation in Romania.

Minority TV Broadcasts Cut; Reactions Follow

AZR Protests Cut in Hours

*AU0502145791 Bucharest ROMPRES in English
1406 GMT 5 Feb 91*

[Text] Bucharest, ROMPRES, 5/02/1991—The Romanian Journalists' Association (AZR) protests against the measures envisaged by the Romanian Television to cut its broadcasting hours for financial reasons, since they would primarily affect the programme "Points of View" and that belonging to the ethnic minorities.

The protest, published by "ROMANIA LIBERA" in its February 5 issue under the signature of the AZR Steering Committee, assesses that disappearance of the "Points of View" broadcast is conducive to the disappearance of the transparency of the executive power as well as of an organized framework for minorities' free political expression, while the drastic reduction of the minorities' programme hours leads to a limited expression in their mother tongue, thus annulling most of the 1989 revolution's gains in the sphere of mass media.

AZR protests against such a new attempt to come back to totalitarianism in audiovisual communication, and calls attention to the fact that the new audiovisual law, if endorsed as it is now, will limit the freedom of expression.

AZMR Releases Protest

*AU0502143991 Bucharest ROMPRES in English
1202 GMT 5 Feb 91*

[Text] Bucharest ROMPRES 5/2/1991—The Association of the Hungarian Journalists of Romania [AZMR] considers the resolution of the Romanian Television's Managing Board to reduce and restructure the broadcasting programme in the Hungarian and German languages as a serious violation of the ethnic minorities' rights and firmly protests against such measures, a protest released to ROMPRES reads.

AZMR also disagrees with the decision to suspend programmes of political debates and demands that decision be canceled as soon as possible.

Government Spokesman Comments

AU0502195391 Bucharest ROMPRES in English
1905 GMT 5 Feb 91

[Text] Bucharest, ROMPRES, 5/2/1991—As regards the government being criticized for the decision of the board of administration of the Romanian Television to cut the weekly space of time for Hungarian language broadcasts, Bogdan Baltazar, spokesman for the government said: "It's the Romanian Television that had the initiative to allot equal broadcasting time to the government and the opposition and the institution is equally the only one responsible for the its decision to cut this broadcast. At a time when the government needs to explain to the country the decisions made in the process of implementing the reform, when it has to inform the population on what the country is aiming at and why certain sacrifices are necessary, such decisions are not welcome first of all for the government and not for the opposition that, in some of its broadcasts did nothing but dissatisfy public opinion. Nevertheless, a very clamorous part of the opposition, that uses any pretext to criticize the government, has hastily jumped at the occasion in an opportunistic way, and shouted protests against the decision of the Romanian Radio-Television, attentive to responses from abroad. We do not think these are reactions someone could boast with.", added Mr. Bogdan Baltazar.

In context it's worth mentioning the protest of the Hungarian Democratic Union of Romania that has its specificity and proves inherent lack of coherence when stating that the main purpose of the broadcasts in Hungarian is to communicate with Romanian nationals but, at the same time, protests against broadcasts in Hungarian being switched on Channel 2, accessible mainly to Romanian nationals. What if the Romanian Television would devote no more time to broadcasts in Hungarian than do the TV stations in the Czech and Slovak Republic, in Yugoslavia and even in Germany, and only as much as the Radio-television station in Budapest gives to broadcasts in Romanian and the important TV stations in the states to broadcasts in Spanish, the mother tongue of tens of thousands of U.S. citizens. I think all of us, the government and the opposition must prove moderation in everything and understand that the Romanian Radio-Television is faced with real difficulties that can be overcome in time but only through dialogue and not through confrontations by all means.

Referring to what the magazine "Tinerama" says on the way in which "Libertatea" fund was used, Bogdan Baltazar, the spokesman of the government said that Prime Minister Petre Roman had signed for 5.3 million lei to be allotted from this fund, 4.2 million of which for the transport of humanitarian aid from Romania and

from abroad by units of the central department of road transport until April 1990, i.e. prior to the May 1990 decision regulating the distribution of this fund.

FSN 'Must Become' Party of Reform, Democracy

AU0502143391 Bucharest ROMPRES in English
1334 GMT 5 Feb 91

[Text] Bucharest ROMPRES 5/2/1991—The Front can and must become a party of reform and democracy, states in an interview with the newspaper "AZI" Eugen Dijmarescu, minister of state in charge of economic reorientation recently elected chairman of the Steering Collegium of the Bucharest City National Salvation Front [FSN].

Mr. Dijmarescu considers a necessity that the FSN leadership should include people from the Parliament and the government who properly understand the reform. This is the reason for which he was elected to the current political post at the recent FSN convention.

Referring to the Front's future national convention, Mr. Dijmarescu shows that all the ideological trends within the Front should be screened function of the social democratic option. [sentence as received] The Front should become a centre-left political grouping, which does not mean that it stoops to the left.

In Mr. Dijmarescu's opinion, what differentiates the Front's policy from the liberal one is not the target aimed at but the method used. The right-wing liberalism lacks the concern for a diminution of the radical reform's effects on a social plane. The Front understands to work so as "the pains of the reform" should cease after a relatively short period. The front can no longer renounce pluralism, democracy and the market economy, Mr. Dijmarescu also states rejecting one of the assertions according to which this political grouping wants to keep certain structures extent before December 1989 or several leading elements of the socioeconomic activity in administrative formulae conducive to social egalitarianism.

Answering a question referring to the FSN's place as to the European social democracies, Mr. Dijmarescu shows: As the front has perseveringly sought its identity in the Romanian reality, it will also find a place in the international political landscape. The social democratic platform will impart it credibility when its structures can inspire it. Then the FSN will also assert itself outside. In any case it is foreseeable that its affinities will be oriented toward centre, centre-left, and socialist parties (like the French one).

In connection with a potential change in the Front's name, Mr. Dijmarescu showed that it was "questionable."

Roman on FSN Convention, Strasbourg Visit

AU0602095491 Bucharest AZI in Romanian
29 Jan 91 p 1

[Interview with Prime Minister Petre Roman by Lucia Verona; place and date not given: "Petre Roman Says: People Are Better Than Their Image"]

[Text] [Verona] How do you view the importance of this moment—namely of the National Salvation Front [FSN] Bucharest Municipality Convention and the atmosphere in which it was held?

[Roman] I think this was the first successful moment in the reorganization of the political movement. An open atmosphere prevailed and the people attending this event had very pertinent and specific ideas and concerns that they shared with others. Throughout the meeting we managed to have an atmosphere that reflects a coherent political movement, capable of taking responsibility.

As a personal impression I can say that it was better than I had expected, because, as you know, we started off with quite a weak organizational framework. But people are always better than their image and the positions they are given.

[Verona] The FSN's newspaper was not mentioned at all during this FSN Bucharest Municipality Convention. What can you tell us about it?

[Roman] What do you think about it; is it good or bad?

[Verona] I think it is very bad.

[Roman] It is bad, is it not? If the newspaper faces certain difficulties in communicating with the Front, I think the absence of that framework I mentioned before and the lack of a direct political interest in this permanent contact with you are to be blamed for it. This situation has to be overcome.

[Verona] In connection with your trip to Strasbourg, what do you expect 29 January to bring? What can we expect?

[Roman] It will be a difficult day. First, I will have talks with two commissions of the Parliamentary Assembly of the Council of Europe, which will aim to disperse their last doubts in connection with the democratic process in Romania. On the same afternoon I will attend a conference entitled "Economic Reforms and Technological Progress in Eastern European Countries," to be held in the plenum of the Parliamentary Assembly of the Council of Europe, where I will read my own paper and this will be followed by questions and certainly by answers. After this I will attend a 45-minute news conference. So, you can understand... what all of us hope to obtain on 1 February—and I am convinced that we fully deserve it—is the statute of a special guest at the Council of Europe.

[Verona] Thus, such a chance exists, and I have learned that the file on Romania was included in the agenda.

[Roman] Certainly. It is considered a subject that has to be solved by the Parliamentary Assembly. This in itself means very much.

[Verona] Thank you.

State-Owned Apartments To Be Sold to Tenants

AU0402201791 Bucharest ROMPRES in English
1818 GMT 4 Feb 91

[Text] Bucharest ROMPRES, 4/2/1991—The Romanian authorities are ready to support and accelerate the sales of state apartments built with budget funds, to their tenants, writes a government decision.

All local and central authorities involved in the privatization of state property are requested to act accordingly for the evaluation of prices and for concluding sales-purchasing contracts within maximum 30 days from submission of the purchasing applications and within 15 days from registration of loan applications with the bank by tenants willing to buy the flats they live in. Sales prices are to be assessed on the same criteria as for computation of rents.

Former PCR Official Testifies in Trial

AU0102211191 Bucharest ROMPRES in English
1953 GMT 1 Feb 91

[Text] Bucharest, ROMPRES, 01/2/1991—During the Friday, 1 February, session Witness Ion Coman, former Central Committee of the Romanian Communist Party [PCR] secretary, assessed that General Guse, chief of staff and first deputy minister of national defence at that moment, ordered that fire be opened in Timisoara against population. That order was given in the presence of all the generals come from Bucharest among whom Victor Stanculescu and Mihai Chitac, who after the revolution were appointed minister of national defense and minister of the interior respectively.

The witness specified that he did not seek to involve the Army in the repression of the December revolution but a fair establishment of responsibilities of all the people who played a certain role in the developments of late 1989.

The next session will be held on 12 February.

Air Traffic Services Administration Set Up

AU0102164291 Bucharest ROMPRES in English
1202 GMT 1 Feb 91

[Text] Bucharest, ROMPRES, 1/2/1991—Under a government decision the Romanian Air Traffic Services Administration (ROMATSA) was created.

The major aims of the new autonomous unit are the administration and exploitation of air lines, their technical organization, air traffic control for Romanian and foreign aircraft in Romania's air space, the supply of aeronautic and meteorological information to Romanian and foreign airplanes.

Record Cold, Gas Shortages Cause Severe Hardship

AU0602104391 Bucharest ROMPRES in English
0927 GMT 6 Feb 91

[Text] Bucharest, ROMPRES, 6/01/1991—Romania knows a harsh winter, with heavy snowfalls and temperatures of minus 20 degrees Celsius in intramountain depressions. In the Eastern and Southern regions the wind blows with a speed of 50-60 km/h to reach 150 km/h in the Carpathians, drifting the snow and perturbing road traffic.

At the same time, the population in the Southern towns, the capital city included, is faced with various hardships. According to data supplied to parliamentarians by the minister of state in charge of industrial and commercial activities, Anton Vatasescu, the home gas output dropped to 77 million cubic meter per day from 110 million the same period last year, while the Soviet Union supplies eight million cubic meter daily with the promise to increase the deliveries to 14 million, as to the 22-23 million cubic meter it used to sell Romania last year.

With the cold, the population's daily consumption increased sharply from 15 to 22-24 million cubic meter under the crisis programme recently released, the government had to close down several combines, which also supplied heat for some residential areas, to protect the population, of Bucharest in particular, and announced severe punishments for those violating the regulations for using natural gases in force.

According to the data read in parliament by Mr. Vatasescu, the situation is difficult also in the sphere of electric power production, but nevertheless under control. The coal deficit is compensated with fuel oil.

The imports of electric energy from the Soviet Union (which asks 51 dollars per MW) as well as those of oil (one million tonnes only from five million last year) have dropped.

At the same time the share of domestic electric power consumption increased from five percent in 1989 to 12.5 percent while that of gas from 21 percent to 41 percent.

Spokesman on 1990 Social, Economic Performance

AU0502180091 Bucharest ROMPRES in English
1700 GMT 5 Feb 91

[Text] Bucharest, ROMPRES, 5/2/1991—Announcing the publication soon of Romania's 1990 Statistical Yearbook, Government Spokesman Bogdan Baltazar said the following in his weekly newsbriefing: "From the analysis of the partial statistical data we were supplied, it may be seen that with most of the indices characterizing Romania's socio-economic situation, the performance in 1990 is poorer than in 1989.

With the main indices of the national economy the situation is as follows (1990 as compared with 1989):

with industrial marketable production 80.2 percent, total investments in the national economy 65 percent, export 57.9 percent, import 112.6 percent, goods retailed in state and cooperative trade units 113.2 percent, services to the population 102.9 percent, built houses 80.3 percent, supplied thermal energy 117 percent, average number of employees 102.4 percent, total fund of wages and salaries 110 percent, nominal average wage 108.2 percent. The social product and national income dropped 10-11 percent because of poor performance in industry, building, transport, while the results in goods turnover, telecommunications and other branches were in 1990 above the level of 1989.

The resources of the national economy in 1990 formed of domestic production and import were meant over 92 percent to the consumption stock and below 8 percent to the accumulation fund, as compared with 81.3 percent and 18.7 percent respectively, in 1989.

Labor productivity in 1990 was 21.1 percent lower in industry, 20.5 percent lower in building, 22.5 percent lower in road transport and 23.7 percent lower in rail transport. The poor performance showed in the level of indicators characterizing the turnover of the respective branches. As for the population's incomes and expenses in the first three quarters of 1990, as compared with the relevant period of 1989, the incomes are 123.9 percent, the expenses 113.5 percent, while the population's savings grew more than thrice, the figure being not very worrying, as the population started with small savings in relation to the monetary mass in circulation as a whole and even with the goods to be sold. Striking a comparison between the situation on December 31, 1989 and on September 30, 1990, the population's money availabilities rose in these nine months 17.6 percent, as follows: 18 percent more deposits with the savings bank and 16.2 percent more money kept by the population. On September 30, 1990 average available money was of some 14 thousand lei per inhabitant, including over 10 thousand in form of bank deposits and almost four thousand lei kept by the population.

Power Consumption, Production Situation Viewed

AU0502194391 Bucharest ROMPRES in English
1029 GMT 5 Feb 91

[Text] Bucharest ROMPRES 5/2/1991—According to the data supplied by the national autonomous enterprise Renel, the situation of consumption and production in the national power grid was Tuesday morning as follows: Consumption 8,533 kw of which 1,518 kw imported as to the initially envisaged 1,400 kw. Home electric power production was of 7,000 MW structured as follows: 2,400 MW by coal-fuelled stations, 2,800 MW by gas- and fuel oil-based stations, 1,800 MW by hydropower stations, of which almost 760 MW by the Iron Gates plant.

The low home electric power output is due to the poor production of the plants unrhythmically supplied with coal, gas and fuel oil.

National Defense Body Discusses Illegal Arms

LD0502225791 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1851 GMT 5 Feb 91

[Excerpts] Belgrade, 5 Feb (TANJUG)—Until there is a democratically reached agreement on the country's fate, it is necessary to insure that the federal Constitution and the law are being respected to create the necessary conditions, including those concerning the country's security, for overcoming the Yugoslav crisis in a peaceful way. This was stressed by Petar Misovic, assistant federal secretary for internal affairs, at a session this afternoon of the Committee for National Defense of the SFRY Assembly Federal Chamber that met to discuss an unauthorized setting up of armed forces in the SFRY.

Addressing the National Defense Committee delegates Petar Misovic said that it was "extremely dangerous to try to internationalize the tense situation in the country or to invite the international community to be an arbiter."

The present paralysis of the country's entire legal system has resulted in a blockade of the security system and of the federal services in particular.

Petar Misovic informed the delegates about actions that the Federal Internal Affairs Secretariat [FIAP] has undertaken in connection with an unauthorized import of weapons. He stressed that the FIAP "failed to obtain satisfactory replies from the internal affairs organs of both Croatia and Slovenia" and that it was even "misinformed."

Misovic stressed that the FIAP "did not issue Croatia's Internal Affairs Ministry or any other internal affairs organization or sociopolitical organization or community with a single permit either last year or in January of this year to import weapons nor was such a permit ever asked for."

When the FIAP asked the Croatian Internal Affairs Ministry to explain the illegal import of 5,000 guns worth DM2,858,000 [Deutsche mark] from Panama, the Croatian Internal Affairs Ministry said in reply that it would subsequently submit a request for permission from competent federal services, Misovic said. However, he said, the law does not envision this course of action. [passage omitted]

The Croatian Ministry of Internal Affairs also imported 6,300 automatic rifles of foreign manufacture (?with which) both personnel on active service and reserve personnel have been issued; however, the documents pertaining to these imported weapons have not been shown to the inspectors, Misovic said.

A total of 11,660 weapons, both short-barrelled and long-barrelled, have been stored in police arsenals from the reservists who have been demobilized, while 3,403 weapons are still held by the reservists, Misovic said. [passage omitted]

(?The) Federal Secretary of Foreign Affairs has been asked to evaluate the letter recently sent by Franjo Tudjman to U.S. President George Bush.

Such actions, said Milivoje Maksic, are not within the ambit of international relations and foreign policy. Apostrophizing foreign countries is not an isolated phenomenon, and is being done both overtly and covertly, he added.

Appeals of this kind are assuming both a political and a moral (?dimension) abroad and as a rule, Maksic stressed, (?foreign powers) interfere in the internal affairs of a country in two cases: If the country has been defeated in war, or if the country represents a problem for the international community. Yugoslavia most certainly is not such a country, Maksic stressed.

Any attempt to internationalize the problems (in a) country necessarily turns that country (?into an) object in international relations. Do we want this to be our destiny, Maksic asked?

Admiral Stane Brovet, representing the Federal Secretariat of National Defense, briefly addressed the delegates. The two reports that the National Defense Secretariat submitted to the assembly on the impermissible import of weapons did not say what the Federal Executive Council [FEC] had done to find a solution. According to Brovet the FEC and especially its president were keenly involved in implementing the SFRY Presidency order on disarming paramilitary formations. Ante Markovic [words indistinct].

Vaso Djukanovic asked: When will Martin Spegelj be detained, and why did the Federal Secretariat for Internal Affairs not deploy the combined units [of federal police] when the Serbs in Croatia were seeking rescue in army barracks? At the same time, he maintains, one should raise the question of the FEC's responsibility as well as that of certain cabinet ministers and particularly of the FEC president.

Petar Misevic answered his question by saying that the combined units could only be used on the basis of the SFRY Presidency's decision, while Admiral Brovet said that the federal services could not say when Martin Spegelj was going to be detained because this should be done by the services of the Republic of Croatia following a court summons.

Viktorija Potocnik asked: Who is allowed to secretly video legally elected republic officials, and who ordered that combat preparedness in the Yugoslav People's Army [JNA] units be raised? While Stefedin Ljusi asked: Is the special edition of NARODNA ARMIIJA an official document by the Federal Secretariat for National Defense?

Admiral Stane Brovet replied that no one initiated the secret videoing of any legally elected representative nor did the Army do this. The JNA competent organizations

had, in keeping with the obligations based on the Constitution and law, taken certain actions against a certain number of military personnel following the well-founded suspicion that they had been involved in illegal importation of arms and organizing terrorist groups. The fact that it later turned out—borne out by the recordings as well—that certain individuals from Croatia's government were among them is not the JNA's problem, Brovet said.

Introducing a high decree of combat preparedness in JNA units was their reaction to the open threats with force. To illustrate this Admiral Brovet mentioned the army barracks in Virovitica that had been besieged by 450 heavily armed members of the Croatian Democratic Community [Hrvatska Demokratska Zajednica]

A state of combat preparedness, Brovet stressed, was introduced only within the army barracks. There were no threatening movements of JNA units, something Tudjman wrote about in his letter to the U.S. President George Bush. It is not true that Croatia was not able to acquire arms in the country. There is also evidence to support this. Brovet also said that the special edition of NARODNA ARMIJA was part of the documentation with which the competent state organizations had been acquainted.

The JNA may assume two possible roles in the current situation, Admiral Brovet said, to facilitate the agreement on the country's future arrangement on its democratic and peaceful way whereby the JNA, just like the armed force of all nations and nationalities, would take care to the same extent of the security of the country and all its citizens, or else the JNA would defend the borders within which everyone would be armed and fight. The JNA has opted for the first option, Brovet stressed.

Ivo Divic demanded firm evidence on the conclusions set out in the report of the Federal Secretariat for National Defense. In his words, there is no evidence that the illegally acquired weapons are in Croatia, just as there is no evidence that an armed insurrection was being prepared to threaten the constitutional order with violence.

Divic noted that the organization, number, and composition of the units of internal affairs is under republican competence. One does not bear in mind, he resumed, that the reserve units were reinforced following the arming of the Knin groups. In his words, the confiscation of arms belonging to the Territorial Defense also constitutes a breach of the Constitution.

The agreement on the country's future requires more arguments, good will, and mutual tolerance, Divic stressed.

According to Vilko Jelen, the Yugoslav Assembly made a major error in not supporting the new Croatian government when the Knin insurrection, as he put it, broke up. At that time, we allowed the spark to become a conflagration. Subsequently, both sides armed, Jelen went on,

and the intelligence service failed as well—we do not know who destroyed railway tracks or put up the barricades. [passage omitted]

Concluding a discussion that went on for several hours the committee decided to fully endorse the SFRY Presidency measures to disband and disarm all illegally formed units.

The committee stressed that the FEC and the federal services are obligated to consistently apply the SFRY Constitution and federal laws to curb all measures and activities that violate our constitutional system and threaten the sovereignty, integrity, and territorial integrity of our country.

The appropriate organizations, the committee decided, are obligated to prevent the import of weapons, their distribution by national and political membership criteria, and the formation of illegal armed units attached to specific parties. The committee demands that all those responsible for the illegal import and distribution of weapons, the formation of illegal paramilitary units, and the commission of other acts and actions punishable by law should be answerable as prescribed by the law.

The committee holds the view that the continuation and further exacerbation of intranational conflicts would foil democratic processes in the SFRY, the implementation of initial reforms, and a peaceful agreement on the ways and means of getting out of the crisis in which our country is at the moment.

After the discussion on illegal arming the committee discussed the bill on the Federal Directorate for Trade of Special-Purpose Products [Savezna Direkcija za Promet Proizvodnje sa Posebnim Namenom]. The delegates in this committee supported this bill whereby the directorate that deals with foreign trade in armaments, military equipment, and technology should operate as a social enterprise in the future.

This bill, however, was not supported by Vilko Jelen and Viktorija Potocnik who stressed, among other things, that there is no legal basis for this law because the federation has no power to set up social enterprises.

Tudjman Rejects SFRY President's Message

LD0502202291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1523 GMT 5 Feb 91

[Text] Belgrade, 5 Feb (TANJUG)—SFRY Presidency President Dr. Borisav Jovic today received a reply from Croatian Republic President Dr. Franjo Tudjman to his letter of 2 February.

President Tudjman's letter to Jovic runs as follows:

"Mr. President,

Late on 2 February, the TANJUG telegraphic agency transmitted a telex that you were pleased to sign and forward to my address. Because the letter was released to

the public while I was paying an official visit abroad. Because of the unusual manner of communication between state services and representatives that you chose, it is obvious that you did not in fact send it to me alone, as president of the Republic of Croatia, but to the Yugoslav and international public as well. Because of the manner of its dispatch, because of the format you have used, and especially because of its content, your letter is an infringement of the elementary norms of communication between top state bodies and representatives.

The nature of the letter and the objective you intended to attain by its early publication well before I received it means that the letter deserves to be rejected in its totality. Apart from protesting against these methods I must also express my surprise that acting in this way you also erred against the basic norms that regulate the powers of the SFRY Presidency and its current president.

According to information, I subsequently received the text of the letter that you publicly forwarded to my address, was not previously discussed at all during a SFRY Presidency session, nor have all Presidency members been informed about it. Acting in this way you are arrogating for yourself a right to which you are not entitled either by law, by the SFRY Constitution or by the standing orders concerning the Presidency's work.

In light of the fact that in your letter you refer to information from the Federal Secretariat for National Defense [SSNO] in connection with the implementation of conclusions reached at SFRY Presidency session on 25 January 1991, and in light of the fact that in the letter you, in fact, convey the content of the aforementioned SSNO information, I have concluded that this time you acted as a mere conveyor of SSNO information. As SFRY Presidency president you had no right to do so. I am seriously concerned by such moves and ask you: On the basis of which constitutional and legal powers did you subordinate, in such an arbitrary way, the authority and powers of the SFRY supreme state body to a state administration body? Had the SFRY Presidency examined the SSNO information, to which you refer, which it did not, it would have acted, I believe, differently, in accordance with the law and the Constitution—i.e. it would have presented its opinion and judgement of the SSNO stands and would have reached its own conclusions on the SSNO stances.

Please take note of the fact, Mr. President, that such a violation of basic legal and procedural norms, particularly orders, cannot be accepted; therefore, I cannot view your letter as an authentic act, nor as a conclusion, nor merely as a document of the supreme state body that you are chairing. Such behavior is arbitrary, unacceptable and politically extremely dangerous for the reputation of the SFRY Presidency, and finally, for the stability and reputation of the country and all its top bodies. It is by such behavior that you, Mr. President, do not act in accordance with conclusions of the Presidency session of 25 January 1991, repeating publicly uttered threats by certain army officers who joined the general campaign

against Croatia, the Croatian people and citizens and against democratically elected Croatian Government and by signing statements of those who threaten that threats and intentions against Croatia will be fully materialized you openly align yourself with those who would be ready to "go to the very end" in intensifying the situation of instability and uncertainty that has seized the whole country. Moreover, it seems that you are ready to make the reputation and power of the SFRY Presidency serve these warmongering belligerent individuals and circles that cannot reconcile themselves to any form of Croatian sovereignty, nor to the inevitable democratization of all Yugoslavia and the restructuring of relations between Yugoslav nations and nationalities on new state and legal bases.

Your letter, which you sent to me via TANJUG, puts you, in fact, Mr. President, among those forces—including the Yugoslav People's Army [JNA]—that want to halt the wheel of history and preserve the Yugoslav state institutions on their old bases contrary to the hard-learned lessons of history and the interests of all Yugoslav nations and nationalities.

Instead of publicly conveying to me messages and stances of one of the services of the state administration, specifically the Federal Secretariat for National Defense, as president of the SFRY Presidency, you should have raised in the body over which you preside the question of why this service of the state administration has recently been carrying out an impermissible and very dangerous policy regarding officers and soldiers of Croatian nationality, transferring them from garrisons on the territory of the Republic of Croatia to garrisons in the Republics of Serbia and Macedonia. Is this not the same practice that was employed by the commanders of the royal army in Yugoslavia under the monarchy?

Should our Army not be, according to the Constitution, the Army of all Yugoslav nations and nationalities, formed and led in the spirit and according to the principles of the full equality of all its members, regardless of national, religious, or any other affiliation? Is not someone in the Federal Secretariat for National Defense preparing the JNA by this practice to be a hegemonistic stick to be used against all those nations and nationalities that are unable to reconcile themselves with the unitaristic and centralist organization of the Yugoslav state community? Does this practice not bode ill and is it not reminiscent of the past ill-fate of Yugoslavia? Is not such a policy the main source of the current tensions in Yugoslavia?

The citizens of Croatia, and I believe the entire democratic public of the SFRY and the external world, cannot but understand this policy and your support for it, including the adoption of the threat that it will be implemented "to the letter" as a threat not only to the peace and security of the present Yugoslav state, but also to the peace of this part of Europe. With these interventions of yours, in the form of a letter to me, you are introducing fresh uncertainty into all strata and circles of

our society and the world public. Thus with such an intervention and threat you are also taking upon yourself the responsibility for the further destruction of the international reputation of Yugoslavia.

You, as representative of the top SFRY organization, are expected to respect the legality and sovereignty of the Republic of Croatia. Instead, you officially invoke military judicial regulations to issue a warrant to detain a high-ranking minister in the government of the Republic of Croatia who was legally appointed in a parliamentary procedure, thus showing no respect for the basic principles of Croatia's constitutional order. Both you and the entire public are well aware that in his actions to arm the police and its reserve units the defense minister in the government of the Republic of Croatia, (retired) Colonel General Martin Spegelj, was merely carrying out the decisions of the Croat Government and that in view of this he is solely responsible to the government, the president, and the Assembly of the Republic of Croatia. Under the Constitution these three top political and representative bodies have the duty to safeguard the sovereignty of the Republic of Croatia.

I would expect the SFRY Presidency, which you chair at the moment, to concern itself with and examine the real meaning and goals of the policy designed to transform Croatia and Croats into an area and a people under the tutelage of the Yugoslav Armed Forces; instead you have resorted to signing aggressive demands and threats by certain Army circles who wish to see the Croat nation and the citizens of the Republic of Croatia totally disarmed and left helpless in the face of a possible danger. When you decided to sign the demand for totally disarming Croatia you should have expected the citizens of Croatia to ask why the Republic of Croatia should be deprived of its weapons and the weapons of its territorial defense that Croatia paid for with its own money. I ask both you and the SFRY Presidency: Who had the right to seize over 200,000 pieces of light weapons, rifles, machine guns, guns, mortars, antitank guns, and other military equipment from Croatia just before its freely elected and democratic authorities were to be installed?

The Croatian people are not threatening or endangering anyone, and the leadership is not conducting any kind of aggressive, fascist Ustasa-oriented or anti-Serbian policy as the ranks of dogmatic Communists and hegemonist unitarists impute to it.

Your letter that you sent to me in the aforementioned manner—through an agency while I was absent—I cannot understand except as your personal incentive to the unprecedented and unheard-of anti-Croatian propaganda campaign that has already dangerously damaged the relations between the Serbian and Croatian peoples. This damaging process ought to be eventually stopped in the interests of both Croats and Serbs, in the interest of their peaceful coexistence—in any form—and of their cooperation in the future, which should be better in all respects than their past and this present of theirs. This is the only way conditions may be created to continue and

complete the talks on a new historic agreement. Such an agreement would facilitate the transition of the current state and political crises and the creation of new opportunities for peaceful coexistence among the Yugoslav nations, within an alliance of sovereign republics.

I expect that within the SFRY Presidency you, as its rotary presiding member, will act in keeping with this direction, that you will set an example in it (SFRY Presidency) of principled conduct rather than arbitrary behavior and that you will direct the SFRY's top common body in such a way as to enable it to discuss, objectively and comprehensively, all problems to solve the crisis rather than exacerbate it. The top state bodies of the Republic of Croatia and I personally will fully and sincerely support the Presidency's work in such a framework. I believe that only in this way it is possible to forestall the dangerous consequences looming large before all the Yugoslav nations and threatening peace in this part of Europe.

With this hope and in this spirit, I send you my regards.

President of the Republic of Croatia
Dr. Franjo Tudjman
Zagreb, 5 February 1991

Army Document Published on Internal Situation

AU0502160091 Belgrade BORBA in Serbo-Croatian
1 Feb 91 p 4

[HINA report on the document of the Political Department of the Federal Secretariat for National Defense on the situation in the world and our country and the tasks of the Yugoslav People's Army: "Only a Federal Yugoslavia"; place and date not given]

[Text] Zagreb— On the day before the film by the Federal Secretariat for National Defense on arms acquisition in Croatia was broadcast, a document was read to the units of the Yugoslav People's Army [JNA] on the current situation in the world and our country and the direct tasks of the JNA that was signed by the political department of the Federal Secretariat for National Defense. We are carrying this document in full:

In this document, we point out the more important characteristics of the latest events in the world and our country and the main tasks of the JNA in 1991, particularly those in the immediate future.

The basic conclusion and the present assessment of the situation are that a stage has been concluded in the development of Yugoslav society and relations in the international community. The end of the nineties will mark the beginning of a new stage that will be essentially different from the previous one. In this respect, one does not, of course, mean some rigid divisions but the essential elements and substance of what has happened, what is now happening, and what is to come. There is no doubt that the international scene is characterized by many processes and phenomena, some of which will

almost certainly have a considerable and even important influence on events in our country.

Even though it is not possible to reliably predict the future development of the situation in the USSR, it can be reliably said at this time that the process of the disintegration of this great country has slowed down. The Soviets have begun to act rationally and realize that the road on which they have embarked does not lead to success for the reform but to failure. Forces are being reaffirmed and are increasing that support the preservation of the federal state and its institutions. Decisive measures have been taken in recent days to halt separatist tendencies in certain parts of the country. This is being done in a way that is very problematic in places, with great resistance inside the country, and pressures from outside. Even the Soviet Army has been engaged. This development of the situation in the USSR, regardless of what will ensue, hinders the freedom of action by the West and the range of its influence on world events.

Socialism has not been finished off and brought to its knees in Yugoslavia either. Yugoslavia has, at great cost, resisted the first strike and wave of anticommunist hysteria. Realistic perspectives have been maintained of preserving the country as a federal and socialist community.

Events in the Persian Gulf have not proceeded according to the initial estimates and expectations of the United States and the West. The United States has built its entire civilization on sources of cheap energy. This was an important reason for its going to the Persian Gulf and the start of the war. At the time of dispatching this document, the war has been assuming widespread dimensions with unforeseeable consequences and complete uncertainty regarding its future course. Likewise, in some, until recent so-called socialist countries of Eastern Europe, the situation has become so complicated that, objectively speaking, those who had been directing it from outside are losing control.

Scenario Writers from the West

In realizing their basic strategic orientation—to destroy the idea of communism and the socialist option—the scenario writers from the West have achieved significant results but not their ultimate aim. Communism has not been crushed in one single country in which the revolution was indigenous; therefore, the strategists of the anticommunist campaign have been forced to regroup their forces and seek new directions and ways to attack. In relation to their main adversary, the Soviet Union, they will probably continue with their support for disintegrational tendencies. They will give specific economic aid, primarily out of fear of the problems that would arise if such a large country collapsed or disintegrated in a way that could cause a world catastrophe. Otherwise, the fact that a people whose country was until yesterday a great power and had the role of a giant in international relations is now faced with so much misery and poverty speaks for itself.

Regarding our country, those in the West have realized that the idea of Yugoslavism and the orientation toward socialism have much stronger roots than they had estimated and that the destruction of socialism in Yugoslavia is not the same as in some other countries. It can therefore be expected that they will to some extent change their method of activity and embark on an even stronger attack. It would be very important for them to achieve complete success in Yugoslavia. They would be taking a bite out of a country where an autochthonous revolution has been victorious. Future activity will probably be manifested on two fronts and with two main aims. In the first, attempts will be made to bring down the communists who have remained in power either in certain republics or at the level of the federation. Thus, there will be attempts to hinder the implementation of the economic reforms or to influence this in such a way that their implementation provokes social unrest and then, according to the same recipe as in Bulgaria and Romania, there will be continuous calls for the repetition of elections until their proteges take power. The second front is the destruction of Yugoslavia, accompanied by condemnation of the communists. Such orientations are confirmed by several actions that have already been manifested. This is also shown by the well-known statement by the CIA "that Yugoslavia will fall apart in 18 months." One knows what the aim is of making such statements and that they always have a clear function. This also relates to the statement made by the State Department on 25 December 1990 that contained the threat that the United States "will strongly oppose any use of force or pressure that would halt democratic processes or establish the undemocratic unity of Yugoslavia." The essence of this message is quite clear—to crush socialism in Yugoslavia, even at the cost of the country being destroyed. The message is also a warning to the Army not to prevent this process.

The commitment of some circles in the West to democracy is transparent demagoguery because for them democracy is only what suits their aims and interests. They understand democracy under our conditions to be what is primarily antisocialist.

The main activity against Yugoslavia will continue to be directed via Hungary, because it is already involved in several ways in the game against Yugoslavia.

A Dramatic Year

Last year was truly dramatic for our country. Anti-Yugoslavism and antisocialism were in full swing. Everything seemed to be hopeless. This year will be more difficult, but in contrast to the previous year, prospects will be in sight. The exits that should be reached are visible. This will primarily depend on engaging the forces of society in performing the three most important tasks.

First, it is necessary to ensure the consistent implementation of the program of economic reform in a way that will prevent economic collapse and the kind of social

unrest that could cause unforeseeable and uncontrolled behavior. In this sense, both safe and stable solutions must be found for the federation and particularly the JNA. It is also necessary to do this because a concept exists for destroying the federation and in this way depriving its organizations of resources and totally disabling their work. This cannot be allowed. The continuation of the reform implies changing everything that has not been good. This should be done gradually and not in a drastic way that would lead to catastrophe.

Second, the functioning of a federal state must be ensured as a prerequisite for an agreement on the future setup of Yugoslavia. If the policy of the fait accompli continues to be applied, it really would be difficult to avoid bloodshed, and this should not, by any means, be allowed to happen.

Any proposal for a future solution should be considered in a peaceful and rational way. A condition for this is respect for the country's legal order. Only within this framework, is it possible to seek solutions for the future of Yugoslavia. In seeking these solutions, everyone can present their arguments, but in a normal, democratic, and civilized way.

The permanent section of the Army should also participate in the debate on the future of Yugoslavia both as an institution and as citizens of this country. In this regard, our experience shows that Yugoslavia can exist only as a state. If it is not a state, it is not Yugoslavia and is something else. What some people in Yugoslavia have been offering—for example, a confederation—is actually not a state, nor can it be. The state can be either a unitarian one or a federal one. A unitarian state has no chance whatsoever in Yugoslavia and will not be accepted because it has failed the test of history. Yugoslavia can only be a federal community with some original rights and functions of a federation. The type and range of these rights can and should be discussed. It would also be good to honor the solutions that many federal states have.

Third, everything should be done so that in the next five to six months the League of Communists-Movement for Yugoslavia [SKJ] becomes the main political force in Yugoslavia and the center to rally together all the leftist-oriented political parties, associations, and organizations. This is the only Yugoslav political force at the moment. It would be extremely good for there to be several Yugoslav-oriented parties on the political scene.

Army members have their obligations regarding the three main tasks. We will fully participate in performing the first task, particularly when it comes to the part that directly concerns us. Many specific duties await us in the performance of the second and third tasks. These are our two main tasks while the third one is perhaps the most important.

The Main Task

Our main task must be the creation of conditions for the functioning of the federal state. First, this means the elimination of any breaches in the unity of the Armed Forces and the performance of the task of disarming and eliminating paramilitary organizations in Yugoslavia. By accomplishing this task, the basic conditions are created for a peaceful denouement to the crisis and the democratic transformation of Yugoslav society. At the same time, this also imposes a strong defeat on nationalist-separatist policy and practice and encourages forces that are committed to preserving and developing Yugoslavia on socialist bases.

The performance of this task has begun appropriately with the SFRY Presidency's order, particularly from the point of view of affirming the social standing of the JNA. The public has thus been acquainted in the most specific way with our firm orientations to accomplish what has been set out. The accepted solution has also confirmed our orientation to act strictly in accordance with the Constitution and the law, in a way that is politically most acceptable in the given circumstances. If the order is not carried out in the way it states, judicial and other services will enter the scene with all the consequences that must ensue from their activities. The responsible services have irrefutable proof at their disposal of the totally illegal way of establishing and arming paramilitary armed groups and their preparations for carrying out diversionary-terrorist and other violent acts. If the SFRY Presidency order is not carried out these depressing facts will be publicly revealed within the framework of proceedings against those who have committed these serious criminal acts. Everyone to whom the order relates must bear in mind that the illegal armed groups will be dissolved and disarmed in the way and time frame that is established either by an order or the application of sanctions regulated by the law.

Particular attention should now be paid to providing a high level of combat readiness of units and the functioning and security of leadership and command systems. It is particularly important to ensure the maximum degree of safety in units because those who lose their heads are prepared to take desperate steps, like armed attacks on barracks, warehouses, and other military premises, carrying out classic diversionary-terrorist actions, organizing assassinations, killing family members, and so on. A previous document has pointed out facts that show quite specific preparations for such activities; therefore, the protection of people, premises, and units has never been more important than it is today.

Stands concerning the Territorial Defense of Slovenia and the dispatch of conscripts to do their military service will be fully carried out. These two obligations have not yet been a priority because most effort has been concentrated on disarming paramilitary organizations.

Regarding conscripts, some measures in our jurisdiction will be taken immediately. Some of the conscripts from Croatia and Slovenia, allocated to the Fifth Army District, will be transferred to other Army Districts, the Air Force, and antiaircraft defense. Responsibility will be established for the arbitrary changing of plans involving the allocation of conscripts issued by the chief of staff and measures will be taken that will ensure that this task is performed more effectively. A procedure has already been initiated for changing laws, which foresees these tasks being returned to the powers of the JNA on the whole of the territory of the SFRY.

It is well known that we are in a very serious financial situation; therefore, we must act extremely carefully and very rationally in spending our financial resources. The order relating to the priority of payments must be taken most seriously and carried out in the most consistent way. Talks have been held in the Federal Executive Council [FEC] on this subject and some solutions have been found. Solutions will have to be found by the end of this month for the stable financing of the JNA.

A Prerequisite for the Constitutional Function of the JNA

All Army members, particularly the officers, must realize that in the future they should most persistently fight for the integrity and unity of the Army cadre. This is a prerequisite for carrying out the constitutional role of the Army, but also a prerequisite for all changes to be made in society in a peaceful and democratic way. The Army must remain firm and persistent in performing its duties.

It is very important that people get used to and think about how to adapt themselves in the process to the new conditions and situations. Major issues are sometimes even treated in a routine way, as if nothing has happened or changed in society in the last two years. In educational work, one should develop the ability and habit of thinking about every concrete task and about how to behave in the new conditions—when regulated methods do not always exist. Not everything is regulated in our rules, and even much of this must be changed. This will be done in a planned and gradual way. Apart from performing these major tasks, the current life and duties of the units and institutions must not be neglected for a minute. Concern for people, training, order, and discipline must be a constant preoccupation. This is a guarantee of the Army's success in carrying out its duties even in these complex and difficult times.

We must all also commit ourselves to setting up and developing the SKJ. The existence of such a socialist-oriented party is a condition for the survival of a federal Yugoslavia and a prerequisite for the unity and integrity of our Army. This is why the task in question is so important.

The party won a victory in the 1941-1945 war on the idea of Yugoslavism, national equality, brotherhood and unity, freedom, and social justice.

The SKJ

The SKJ will win with this idea today, too. The Army must provide conditions for a peaceful denouement to the crisis, but it cannot solve the question of Yugoslavia. This can only be achieved by a strong political organization whose program is accepted and supported by the widest strata of the population. All those who are working against our country are well aware of this. This is why they are working against the SKJ. They would want to ban it, fearing its growing force and influence on society. If communism is dead, as they are saying, why are they afraid of this organization?

One should patiently explain to the people the essence and significance of the existence of the SKJ. No one should be forced to become a member of it. This must be a stance which is based on a personal orientation and belief. This is also a question of people's most urgent existential interest.

It is very important to prevent the insinuation of a "fifth column" into the ranks of the SKJ. The SKJ must also include people who have different views. They are always welcome; however, one should not allow the repetition of the kind of mistakes that have been made in the actions of the League of Communists of Yugoslavia which was destroyed by the "fifth column." There is no room in this organization for those who want to break it up from within.

The most important thing is for the party to be turned toward young people. This is not only because the youth have conducted war and revolution and that they represent the future of every society, but also because the basic ideas of the SKJ appeal to young people. Patriotism and the socialist idea actually have their firmest foundation in the younger generation.

BORBA on Financial Disputes Between Republics

*LD0502162891 Belgrade TANJUG in English
1534 GMT 5 Feb 91*

[Text] Belgrade, Feb 5 (TANJUG)—Just ahead of the continuation of the second round of talks between Yugoslav Prime Minister Markovic and representatives of the republican governments, the federal newspaper BORBA today writes that the outcome is uncertain due to mutual distrust.

The daily recalls that Prime Minister Markovic offered 12 points which represent minimum conditions for the functioning of a joint state up until a new historical agreement on its future is reached.

The first round of talks, BORBA assesses, ended in partial success. Of the 12 government proposed points, the republics accepted seven and a half. BORBA is the first of the newspapers in the country to publish a detailed list of the stands and comments of all six republican governments.

Bosnia and Hercegovina accept the proposals of the federal government but "on condition that the federation without delay carry out its financial obligations with regard to pensions, coverage of currency adjustment costs, export stimulation and claims for projects and equipment delivered to Iraq."

Another two economically under-developed republics, Montenegro and Macedonia, also pointed out the funds that the federation owes them.

The economically most prosperous republics, Slovenia and Croatia, believe that the finances in future should not be centralized.

Slovenia is most decidedly against the existence of the National Bank of Yugoslavia, while Croatia goes a step further and proposes that international financial institutions take control over the National Bank of Yugoslavia.

Both Slovenia and Croatia cite that the primary reason for this is Serbia's "invasion" of the federal financial system.

In the meantime, the federal public accounting office proved that Croatia also "invaded" the federal monetary system, while there are indications that Slovenia did the same.

BORBA writes that Serbia did not mention its own "invasion" of the monetary system. The Serbian government above all points out that it does not accept the creation of only a "minimum" of joint functions, formulated in the 12 government points, and demands wider competencies for the federation.

Slovenia's Pucnik Explains Decision To Secede

AU0502124691 Vienna Domestic Service
in German 1150 GMT 5 Feb 91

[Telephone interview with Slovene government coalition chairman Joze Pucnik in Ljubljana by Roland Machatschke in the studio—live]

[Text] [Announcer] Today the chairman of the Slovene government coalition, Pucnik, stated that Slovenia intends to finally secede from Yugoslavia. This was reported by a press agency. We have managed to reach Pucnik by telephone. Roland Machatschke talks to him live in the studio.

[Machatschke] Dr. Pucnik, in Ljubljana you consider the attempt to turn the federal state of Yugoslavia into a confederation of sovereign states to have failed.

[Pucnik] Yes, the talks that we have had at various levels—also at the state level—have shown that the southern republics are not interested, at least not really interested, in accepting a confederative reorganization of Yugoslavia and in helping to achieve this. Our offer was real, it was meant seriously and honestly. Furthermore, we no longer have any choice but to make the open demand that, at the level of the federation—if these

bodies are still capable of having talks and remain so—our concern is formulated in such a way that we can discuss secession very specifically—without drama and without romanticism—in a very businesslike manner. How do we manage to get away from each other and solve the problems that have to be solved in this process?

It is our goal that all this be done in such a way that it causes as few disturbances in the economic life as possible and, above all, that there will not be any outbreak of aggression.

Before you ask, of course, the events in Croatia have contributed to this decision. Our assessment of the situation is such that talks about an all-Yugoslav order have become hopeless.

[Machatschke] Have you coordinated this step with Croatia?

[Pucnik] I cannot give you any details. There is every indication that Croatia assesses the situation in a similar way. What we in Slovenia want is to leave this unlucky state before the first drop of blood is shed. We do not want to burden our secession from this state with any kind of human casualties. We want to do this peacefully and democratically. This is what our citizens decided in the referendum on 23 December. The politicians, the government, parliament, etc. have the task and the assignment to implement this.

Of course, we still remain open to really serious offers, but it does not seem that there might be any.

I would like to stress one more thing. This attitude on the part of Slovenia does not rule out that specific links might be forged with Croatia and Bosnia-Hercegovina if there is interest in it. I personally firmly expect such links, such specific bilateral relations. I do not rule out completely that perhaps a bit later, after an initial stage, there might even be a confederative arrangement with Croatia. Here I see a certain chance that is still worth discussing.

[Machatschke] Dr. Pucnik, please a very brief answer: You, Slovenia, want to secede from the SFRY peacefully. Are you not afraid that you will not be permitted to leave the SFRY peacefully? Are you not afraid that the Army, the federal authorities, the State Presidium will do something to prevent Slovenia from doing so?

[Pucnik] This fear exists, but it is relatively small. The probability that the Army will decide to intervene aggressively in Slovenia is rather small.

[Machatschke] In Slovenia. But what about Croatia?

[Pucnik] In Croatia, I am afraid, the situation is more dangerous.

[Machatschke] Thank you, Dr. Pucnik, for this live interview from Ljubljana. Good-bye.

[Pucnik] You are welcome. Good-bye.

Secession May Occur Before June*LD0502183491 Belgrade TANJUG in English
1601 GMT 5 Feb 91*

[Text] Bonn, Feb 5 (TANJUG)—Joze Pucnik, president of the ruling Democratic Coalition in the Yugoslav republic of Slovenia said that his republic definitely wishes to secede from Yugoslavia, the German news agency DPA reports today.

In a telephone conversation with DPA correspondent in Belgrade, Pucnik said that all Slovenian parties have given up the idea of a loose alliance of sovereign republics since a "confederation, due to impossible condition posed by the southern republics, is completely unrealizable."

Slovenia, according to Pucnik, will leave Yugoslavia "even before June this year."

The assembly in Ljubljana will prepare an amendment under which all mention of Yugoslavia will be erased from the Slovenian Constitution. Its own legal system and currency is also being prepared, which will very soon be introduced parallel to the dinar, and its value will be linked to the Deutsche mark and Austrian schilling, the Demos leader said.

The sovereign state of Slovenia, Pucnik went on to say, in future will have "special relations" with the Yugoslav republics of Croatia and Bosnia-Herzegovina. A confederal link with Croatia is still possible, Pucnik said.

In such an alliance with Croatia, Pucnik said, Slovenia as a state would be completely independent. The chances for such an alliance, Pucnik assessed as "unlikely", since due to the huge number of Serbs in the republic, Croatia, pressured by Serbia, cannot like Slovenia decide about its own future, without taking others into consideration.

Croatian Defense Minister: 'Offensive' Possible*LD0502221691 Belgrade TANJUG Domestic Service
in Serbo-Croatian 2035 GMT 5 Feb 91*

[Text] Zagreb, 5 February (TANJUG)—"Until a few days ago we were defending ourselves from onslaughts and campaigns, but we shall no longer do so. We are mounting, by all legal and civilized means, an offensive because, after all, we believe that truth and reason must triumph over lies and slanders. This is already evident in Europe, judging by the support coming from Europe and the entire world." Minister of Defense of the Republic of Croatia Martin Spegelj said in an exclusive interview for 'VJESNIK'.

In Spegelj's words, "the most important fact is that support for Croatia has also been demonstrated within Yugoslavia, both officially and unofficially, let alone by the people who, in the elections, unanimously opted for Croatia's democratic parties. Having said that we are on the offensive, I want to make it clear: We have no other means, because we do not have an army of weapons nor

do we have enough police. At the moment, of all the republics we have, in percentage terms, the fewest police; Bosnia-Herzegovina has more police than Croatia, and so does Slovenia, not to mention Serbia, which, for various reasons, has boosted its police to the level of an army."

Answering a question on the prospects of defending Croatia, Minister Martin Spegelj said that it is very realistic and feasible.

"If they attack us with arms we will wait, five hours, even for a whole day, so that the world and Yugoslavia can be convinced about who has what kind of intentions, and only then we will call on the Croatian people and all democratic and freedom-loving forces in Yugoslavia and the world to help us with moral and material support. We have never prepared any kind of conspiracy, nor are we preparing one. We simply want to talk with everyone."

On being asked—if there any possibility of Croatia joining NATO—Martin Spegelj said: "No, this cannot be achieved in an instant. We maintain that we must first settle our accounts in Yugoslavia. We do not want to flee Yugoslavia. We can only be forced to leave Yugoslavia. All we demand is an alliance of states, a confederation, clean bills among states. Still, if we are thwarted by an armed force, then all options are possible. Even independence, and this independence would produce decisions to suit our needs."

"If my resignation could solve this crisis I would have launched myself straight into the sky. At this political juncture, I am nothing but an official in Croatia. The setup of the Counterintelligence Service of Serbia and the Yugoslav People's Army top brass has driven me to a situation and arrangement of a Stalinist type, which we have not had for some 20, 25 years now, and it has escalated out of proportion in Croatia. You will see that lawsuit to be held in Zagreb, that mock hearing, for, it is sheer nonsense that one sergeant and one sergeant major organized an armed rebellion against Yugoslavia. It is just an inconceivable piece of nonsense, unless it is in the framework of the Stalinist methods of construing and fabricating," stressed Croatian Defense Minister Martin Spegelj in his interview for 'VJESNIK'.

Defense Secretariat on Arms Handed in by Deadline*LD0502145391 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1303 GMT 5 Feb 91*

[Text] Belgrade, 5 Feb (TANJUG)—By 2400 on 21 January 1991—which was the deadline for the implementation of the SFRY Presidency's order on the disarmament and disbanding of illegally armed units—427 guns, 19 hand grenades, and 13,720 bullets were handed in to the Yugoslav People's Army (JNA) units and institutions. This is stated in an additional report of the Federal Secretariat for National Defense on illegal armament and implementation of the SFRY Presidency's order that was sent to deputies of the Federal Assembly.

The First Military District received 169 guns and 4,343 bullets; the Third Military District received 146 guns, 18 hand grenades and 8,036 bullets; and the Fifth Military District received 41 guns and 1,573 bullets.

The additional report stresses that the Naval District received 106 guns, one hand grenade, and 1,341 bullets, predominantly from the municipalities of Knin, Obrovac, Titova Korenica, Donji Lapac, and Tivat.

The Federal Secretariat for national Defense, according to the report, does not have exact details on the number and type of weapons that were handed in to internal affairs bodies.

Croatian Police Reserves Keeping Weapons

LD0502150491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1324 GMT 5 Feb 91

[Text] Belgrade, 5 Feb (TANJUG)—The demobilization of the [Croatian] police reserve forces was not carried out in line with the SFRY Presidency conclusions, the Federal Secretariat for National Defense [SSNO] states in an additional report it produced today concerning the unauthorized procurement of arms and the implementation of the SFRY Presidency order. The report was submitted to the Yugoslav Assembly delegates today.

Over half of the demobilized members of the police reserve forces have kept their arms. The returned weapons have not been placed in storage but are kept in police stations and other police premises.

According to a 29 January report submitted by the Croatian Internal Affairs Ministry to the Federal Secretariat for Internal Affairs, out of 21,063 pieces of weapons handed out to the reserve forces only 9,374 pieces have been returned to the ministry.

Neither the armed units set up illegally nor individual HDZ [Croatian Democratic Community] members have been disarmed, the SSNO says in its additional report.

Ministry Official Confirms Illegal Import of Arms

LD0502183591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1637 GMT 5 Feb 91

[Text] Belgrade, 5 Feb (TANJUG)—Hungarian Foreign Affairs Minister Geza Jeszenszky informed the Yugoslav ambassador to Budapest that an investigation that has been carried out so far by the Hungarian Government has established that 10,000 Kalashnikov rifles have been shipped from Hungary to Yugoslavia, by-passing the federal government.

This was stated today at a session of the SFRY Assembly's Committee for National Defense by Milivoj Maksic, deputy federal secretary for foreign affairs. At the same time he informed the committee that our ambassador has been told that the investigation is continuing.

Croats, Kosovars Agree on Solution To 'Crisis'

LD0502105691 Belgrade TANJUG in English 0015 GMT 5 Feb 91

[Text] Zagreb, Feb 4 (TANJUG)—The presidency of the parliament of the Yugoslav Republic of Croatia and a delegation of the assembly of the Yugoslav Province of Kosovo stressed after their meeting in the Croatian capital of Zagreb today that they held identical stands on the way of dealing with the Yugoslav crisis.

A statement released after the meeting of the two assemblies' delegations insists on the "necessity of surmounting the Yugoslav state, political and constitutional crisis through democratic dialogue, ruling out violence of any kind."

The statement further notes the two delegations' identical stands on a "necessary depoliticalization of the Yugoslav People's Army and a possible future confederal organization of relations among the members of the present-day socialist federal republic of Yugoslavia."

The participants in today's talks expressed agreement "on the need to realize the human and national rights and political will of the Albanian people in Kosovo."

The statement also stresses that the Yugoslav republic of Croatia "denies all responsibility before the Yugoslav and world public for and condemns the violation of human rights in Kosovo", and expresses the two sides' readiness to continue the exchange of views.

Last July, authorities of the Yugoslav Republic of Serbia, of which Kosovo is a province, suspended provincial organs of authority—the provincial assembly and government—over an attempt on the part of a group of ethnic Albanian deputies to unconstitutionally declare Kosovo a republic.

Ethnic Albanians, who form the majority population in Kosovo, have [words indistinct] to recognize the decision of the Serbian republican authorities.

Questions Arise Regarding Chemical Smuggling

AU0502122191 Belgrade BORBA in Serbo-Croatian 2-3 Feb 91 p 20

[P. Dimitrov report: "Poison Traveling to Iraq?"]

[Excerpt] Dimitrovgrad—The investigation of a car accident, which at first seemed to be just another of many car accidents that happen on the international route on the Nis - Bulgarian border, is now assuming wider implications. It appears as if the police have discovered an attempt to smuggle extremely dangerous, poisonous, and flammable chemical substances to (il)legal markets in Turkey, Iran, or Iraq.

Two days ago, a Turkish "Scania heavy truck" blew a tire and flipped over at the village of Beles near Dimitrovgrad. Because the driver of the truck, Mehmed Aidoglu, who is a Turkish citizen, was not seriously

injured, it appeared that the completion of a routine record of the accident would close the case. However, when the police came to the scene of the accident they were horror-struck. A large number of the scattered barrels were leaking a substance that was a veritable ecological bomb. Later it was discovered that the chemical in question was diethylamine (at least that is what was written on the barrels), one of the most dangerous and flammable toxic substances available. There is a

well-substantiated suspicion that an even more dangerous chemical substance could be involved. This was almost definitely an attempt to smuggle a dangerous chemical substance—which was loaded in Italy—to persons or organizations in Turkey, Iran, and Iraq. This suspicion is based on the fact that this highly dangerous cargo was not registered in the accompanying customs declaration, which otherwise only properly specified technical equipment. [passage omitted]